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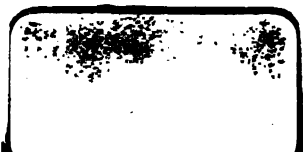
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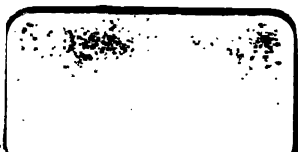
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THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

JANUARY, 1865.

THE TERMINATION OF THE YEAR 1864.

It might have been supposed that the year just now concluded would have been one of the most prosperous on record. Certainly, taking the course of speculation witnessed, and the full inflation in prices during the first six months, there has been ample reason to presume that there was little or no prospect of reaction. It was, indeed, this apparent confidence in the satisfactory progress of affairs that gave such a *couleur de rose* appearance to trade and adventure, and induced those who took part in the operations of the hour, to imagine that notwithstanding money might rule at high rates, the future would present no disagreeable results. The season for recreation, it was believed, would produce a lull in the organization of our enterprises, and leave promoters and others time to reflect upon the weight of responsibility incurred, without increasing further general engagements. But it was never imagined for one moment, at least such was the *dictum* of individuals confessedly interested, that we had arrived at a time when both financially and commercially we might be placed in straits of a most doubtful description.

We ourselves, who had from month to month sounded the note of warning, were regarded as carpers of the old alarmist school, who were not to be treated with anything like consideration, because (so our friends said), we were not thoroughly prepared for the change that had so steadily but silently made way, contradicting all previous theories of finance, and indicating the march of intellect, far in advance of ordinary notions of propriety. Satisfied as we were of the fallacy of the doctrine, we were nevertheless ready to allow our instructors to take advantage of the occasion to praise the strength of their position, reserving to ourselves the right of intimating, at a convenient season, the

opinion entertained of what they advanced. It was not long before the time arrived when we could state unhesitatingly our views ; and how far they have in reality been confirmed, the events of the last four months have abundantly testified. Indeed, it is a matter of surprise, looking back at what we have recently gone through, that we have escaped with so simple a scarification ; for at one instant it seemed, especially about the middle of October, that had it not been for the sound discrimination displayed by the bankers and brokers, there would have ensued a most frightful era of panic, the consequences of which no one could estimate. Fortunately that was averted ; the confidence exhibited by the public in the midst of the prevailing distress tending much to alleviate the peril that would have arisen had a helter-skelter run for accommodation followed, and found, as it has done on former occasions, little or no response.

As it is, we have passed through a period of peril with comparatively little damage ; for, notwithstanding prices at the Stock Exchange have largely fluctuated, and failures have occurred, the crisis has not been of a character to create undue apprehension, or to leave consequences which cannot easily be surmounted. The impression produced by the alteration is, however, sufficiently important to show that, had it not been for the greatest care and circumspection, there would have been extensive disasters. The operators in public securities are now so generally used to variations in prices that the true movements, such as were witnessed in May and June, and later again in August and September, would never have created alarm ; but the circumstance that occasioned anxiety was the excessive stringency in the money market, which promised to last for some period.

Seven per cent. was, perhaps, not considered out of the way ; but when the official *minimum* went to eight per cent., and was subsequently sustained at nine per cent., the effect was certainly anticipated ; and whatever may be alleged with regard to the profits of trade paying a full per centage for discount, if the exorbitant terms do not last beyond a few months, the rule may, perhaps, apply if placed in association with first-class transactions ; but if this is the case in this respect, it is not so certain that the rule holds good in connection with second and third class operations—for it is not so much the rate to be paid as it is the possibility of obtaining in reality the necessary accommodation.

The currency of the high rate of nine per cent. for a long time naturally entailed a strain in the produce departments ; and when the serious fall in cotton followed, through the tem-

porary expectation of peace in America, the struggle to maintain credit became more evident. Although the majority of houses that failed proved to have been more or less weak and embarrassed by speculation, it was necessary to extend assistance to some others likely to suffer from the numerous unfounded reports circulated towards the end of September and October. One thing that was in many cases apparent was the large credit several of the firms had obtained on slender means, showing that the old principle of "ship and draw," which has in other periods of commercial inflation been discovered, had again been resorted to on an extended scale. The fluctuations in cotton has, at the same time, done part of the mischief, but not to the same extent as the consignments made so freely abroad, and which it cannot be supposed will return much to the creditors. Large losses have likewise been made in sugar and rice, the depreciation in these especially having been very considerable.

But it is to be hoped that the worst effects of this epoch of depression and decline are over, and that we are now emerging into a more encouraging and healthy state of business. If banking facilities have been too generally afforded—more particularly by two or three of the new banking institutions—they have gained their lesson of experience, and in future they will have to operate with much greater caution. They will nevertheless hereafter be able to reinstate themselves in a favourable situation, if they have not gone too far by incurring disproportioned liabilities. The next half-yearly meetings will indicate the extent of loss which these establishments have made through such failures, and the probable realization of securities held and the prospect of dividends from the various estates.

It is not believed that the old banks have sustained any alarming debts. In the general course of business during the past six months they have had to take their chance with the other financial institutions; but although here and there through suspensions they cannot have wholly escaped, it seems to be imagined that their share of sacrifice has been much below the average. No doubt the proprietors will be very pleased at finding this is the fact, and they will accordingly appreciate the management which has carried them through so successfully. While they have avoided the shoals and quicksands upon which some of their less fortunate neighbours have been forced, they have also increased their business and made connexions of an important nature. More than one of the new establishments have ensured a position which, to say the least of it, promises to create

a solid reputation. Difficulties have had to be combatted, and shareholders will not be pleased with diminished dividends, but before attaining full prosperity a trying ordeal has frequently to be passed through which, in the long run, assists in securing that desirable object.

The principal of the discount, finance, and credit companies, it is stated, have transacted a favourable business ; in the majority of cases fair dividends are looked for, and in special instances they will, it is asserted, be very encouraging. The finance and credit companies will not, however, be able to show so large an amount of profit as previously ; because, during the last four months few enterprises have appeared, and the returns from promotion have been little better than *nil*. Still, the whole of the establishments are acquiring strength, and when we have a return to a full measure of activity, the prospects of improvement will be speedily discernible. Involved in these various establishments is a new kind of banking element which, entrusted to cautious hands, will gradually develop itself and become most remunerative ; but if vigilance, &c., be not displayed, it is very likely to lead to embarrassment. The greater number of the best working companies are confided to boards of directors and managers who have hitherto possessed considerable financial experience, and therefore the expectation is entertained that they will be conducted prudently.

Looking impartially at the close of the year, and at its antecedent progress, it must be confessed that although the last three or four months have exhibited discouraging symptoms, the twelve months, taken on the whole, cannot be said to have terminated unsatisfactorily. As is customary in every speculative era, there has been a breakdown, but not such a severe one as to sweep away all profits. Business has latterly been much curtailed, through the high rates for money, and the despondency occasioned by the late failures. The healthiness of this reaction has been exhibited in the return of ease in the money market, and in the descent of the rate from nine to the more rational price of six per cent. The same sympathy has been shown by the terms for discount in the Continental markets, every foreign national bank having lowered its quotations—the Bank of France taking the lead, the last reduction being to $4\frac{1}{2}$ per cent. It may therefore now be fairly said that there is ease in the money markets of London and Paris ; and if no untoward events take place in the spring, we anticipate that finance and trade will hereafter move in a smooth and quiet channel.

HISTORIC OUTLINES OF AMERICAN FINANCE.

No. XI.

MR. MONROE was inaugurated President on the 4th of March, 1817. In the first session of his rule the internal duties imposed during the war were abolished. He strengthened the fortifications on the coast, and altered the law for compensating the congressional services both of the representatives and of the senators. The Act of March, 1816, had awarded to each member of both Houses a salary of fifteen hundred dollars a year; it was repealed, and in substitution each was allowed eight dollars a day when in session, and eight dollars for every twenty miles travelled.

In 1818, East and West Florida, and all the adjacent islands, were ceded by Spain to the United States, though the formal surrender was not completed before 1821, but the archives and other state documents were not given up on that occasion; of the sales of land in Florida, the United States agreed to pay five millions of dollars to American citizens who had been spoliated by the Spaniards. In this year the Missouri Compromise Bill, the first overt act threatening disunion between the North and South, was discussed, but the controversy was not settled till the 2nd of March, 1821.

Mr. Monroe was twice elected President. In his first inaugural address of the 5th of March, 1817, after pointing out that the United States enjoyed every variety of climate, extending through many degrees of latitude, which rendered them commercially independent of nearly all other nations, if their industry were judiciously applied to production and distribution, the President made the following remarks on the principle of protection:—

“Our manufacturers,” said Mr. Monroe, “find a generous encouragement by the policy which patronises domestic industry, and the surplus of our produce a steady and profitable market by local wants in less favoured parts at home. Our manufactures will require the systematic and fostering care of the government. Possessing, as we do, all the raw materials, the fruit of our own soil and industry, we ought not to depend, in the degree we have done, on supplies from other countries. While we are thus dependent, the sudden wants of war, unsought and unexpected, cannot fail to plunge us in the most serious difficulties. It is important too that the capital that nourishes our manufactures should be domestic, as its influence in that case, instead of exhausting, as it may do in foreign hands, would be

felt advantageously in agriculture, and in every other branch of industry. Equally important is it to provide a home market for our raw materials, as, by extending the competition, it will enhance the price, and protect the cultivator against the casualties incident to foreign markets."

In enunciating these protectionist principles, Mr. Monroe supported the policy of all his presidential predecessors, and echoed the voice of public opinion. Those principles are now repudiated in England, where they were formerly as warmly encouraged as in America; but it should be remembered that the relative positions of old and new countries are essentially different. All commence their industrial career as agriculturists, and gradually become manufacturers, while they who dwell on the sea coast devote themselves to navigation. While America was a colony we have seen what constant and unjust efforts were made by England to crush its rising manufactures. Its progress in naval architecture was resisted with equal jealousy. In 1670, the celebrated Sir Josiah Child declared that "of all the American plantations His Majesty has none so apt for the building of shipping as New England, nor so qualified for the breeding of seamen, not only by the natural industry of the people, but principally by reason of their cod and mackarel fisheries; and, in my opinion, there is nothing more prejudicial, and no prospect more dangerous to any mother kingdom than the increase of shipping in its colonies, plantations, and provinces." The selfishness and cupidity of Great Britain desired to retain America in a purely agricultural condition, confining her to the plough, and prohibiting the sail, the loom, and the forge. Food she might grow for herself; whatever else she required was to be obtained from the mother country, as the supply would be attended with profit to the mother country. This was the principle of a tribute-exacting government, insisting that its colony should never be self-sustaining but always dependent. It was, therefore, decreed by British legislation that America was not to work its minerals or metals, build ships with its timber drawn from its own forests, navigate its own rivers, or convert its own raw materials into objects of utility. It was to continue a farm for ever, and England was to be the sole workshop of that farm. Of course these restrictions, imposed by the strong hand of power, ceased when political independence was established; but the older country, by virtue of its superior machinery, and its larger accumulated capital, could easily undersell the younger country on equal terms of competition. By these advantages it was as effectively enabled to hold the United States

in agricultural bondage by a manufacturing invasion, as it had held the colony by imperial legislation. The means, indeed, were less offensively odious, because the interference of the mother country was less directly felt, but the result was equally destructive of American labour. Apparently a benefit was offered, for England could supply goods at a cheaper rate than the Americans could supply themselves; but this tempting bait of moneyed cheapness concealed a snare. It was presented solely on the condition that America should continue a consumer of foreign commodities, leaving her own raw materials unworked, and thus condemning to idleness the labour which would otherwise have been employed. Had the United States accepted this policy it never could have passed from the gristle into the bone. How was a neighbourly intercourse, founded on a mutuality of interests, between agricultural states, plantation states, manufacturing states, and shipping states, to have been cemented and perpetuated, except by those commercial links which can only be welded together by relative production, consumption, and interchange? In a vast country having a variety of climates and pursuits, and a diversity of raw materials, it would have been an insane policy aiming at mere moneyed cheapness to array portions of the Federation against each other in an industrially belligerent attitude. The true object of American statesmanship was to concentrate, consolidate, and blend together all those various interests, so directing the measures of government as to combine the whole nation, as it were, in a family concern, that the citizens of each and every state might feel that they were citizens of the United States. It was desirable that producers and consumers, however scattered over the territory of the Union, should be brought together into the closest juxtaposition possible, by creating a home demand both for the products of agriculture and the fabrics of manufactures, thus uniting state to state, city to city, village to village, house to house, the sea-board with the interior, and all with the lakes, industrially as well as politically. Such, at the period, were the views of federal statesmanship, for as yet the popular mind was faithful to the perpetuity of the Union.

During Mr. Monroe's first term of office the national debt was largely reduced. In his message to congress of the 14th November, 1820, he made the following statement on the public finances. On the 30th September, 1815, the funded and floating debt of the United States was estimated at 119,635,558 dollars. If to this sum be added the amount of five per cent. stock subscribed to the Bank of the United States, the amount

of Mississippi stock, and of the stock issued subsequently to that date, the balances ascertained to be due to certain states for military services, and to individuals for supplies furnished to that date, as afterwards liquidated, the whole figured on the 30th of September, 1815, for 158,713,049 dollars. On the 30th September, 1820, it was reduced to 91,193,883, by payment of the difference between those two sums, or 67,713,069. Owing to causes presently to be explained, and which require a separate exposition and treatment, the foreign commerce of the country declined during the closing years of Mr. Madison's administration, and so continued under that of Mr. Monroe, and with it the revenue derived from customs dues. It became necessary to borrow, by which fresh loans were contracted though old loans were discharged, and, on the whole financial operations, public indebtedness was diminished. At the close of Mr. Monroe's administration in 1824, the national debt was estimated at 86,000,000 dollars, inclusive of 2,500,000 dollars borrowed in 1823. In that estimate was also included a stock of 7,000,000 of dollars issued for the purchase of that amount of the capital stock of the Bank of the United States; but as that amount was still held by the government it was fully equal to the reimbursement of the purchase, and in that sense could not be considered as constituting a part of the national debt, which, therefore, only figured in fact for an uncovered sum of 79,000,000 dollars.

There is one other important subject connected with finance to notice in the administration of Mr. Monroe. It had been held as a constitutional principle that the funds of the federal government should only be appropriated to federal improvements, never to state improvements. The advocates of states rights protested against this construction of the law, but the President adhered to it; however, he ultimately ceded the point and gave his assent to the application of public moneys to roads and canals which belonged to states, not to federal jurisdiction; and this became a precedent for future legislators. Mr. Monroe also authorised the sale of public lands in sections of eighty acres each, to suit the poorer class of purchasers, but abolished the credit system. After the 1st July, 1820, it was ordered that cash should be received on land sales, great abuses having arisen from many persons having bought who had not wherewithal to pay, speculating on a rise of prices. This retarded occupancy and actual cultivation which was the real policy of the Government in utilizing the national domain. However, an act was passed exonerating these penniless pur-

chasers from their contracts and the debt due on them, on their relinquishing the lands and restoring them to the land office. To actual settlers in Florida, then an almost unpeopled desert, land was given without any payment. The naturalisation laws were altered so as to allow aliens, being minors, to become citizens on arriving at the age of twenty-one years, provided they had resided five years in the United States.

At the very close of Mr. Monroe's administration of eight years, that is in February, 1825, Mr. King, of New York, proposed in the senate that, after the extinction of the public debt for which the national domain was pledged, the proceeds of all sales arising from it should be applied to the emancipation of slaves. The proposal did not receive the sanction of the senate, but the fact proves that the difficulties which subsequently arose on the subject of the "domestic institution" were foreseen by keener-sighted statesmen.

Mr. John Quincy Adams was inaugurated into the presidential office on the 4th March, 1825. The strictly political events of his administration, though few, were important, but their full significance was not appreciated by his contemporaries. In some of these we may trace indications of that growing conflict between the North and the South which ultimately led to secession. Mr. Monroe had recognised the independence of Mexico, and the first act of Mr. Adams was an attempt to bring South and North America into alliance. He proposed a meeting of delegates from both countries, to be convened at Panama. The plan was submitted to the committee of foreign relations, and by them rejected on the 26th January, 1826. It was generally believed that the committee had been packed by Mr. Calhoun, who, as vice-president, had the appointment. He was the leading statesman of the South, suspected of a desire to annex Mexican territory to the Union for the specific purpose of enlarging the area of slavery (restricted and defined by the Missouri compromise), by forming new states in which the domestic institution might be legally established. Mr. Calhoun, therefore, did not favour an independent kingdom in Mexico, where slavery had been abolished; and the subsequent war in that country, wholly undertaken in the interests of the South, confirms this view of Mr. Calhoun's policy. But the adverse report of the committee of foreign relations was negatived in the senate by 24 to 19 votes. The house of representatives warmly sanctioned the proposition of Mr. Adams, voting an appropriation of funds to defray the cost of the mission to Panama. Mr. Anderson, minister to Columbia,

was directed to attend this international congress, but died of malignant fever on his journey. Thus the meeting was prevented. However, congress concluded a treaty of friendship and perpetual confederation with Mexico, to which all American powers were invited to accede within the year. That treaty was dated the 15th July, 1825. Its object was to carry out what is known as the Monroe doctrine, which denied the right of any of the European monarchies to interfere in the affairs of the New World.

The concession made by Monroe, to appropriate public moneys to state improvements, led to an attempt to allot the national revenue itself among the different states so that each might collect, retain, and apply its own portion as it pleased. This scheme was defeated. It was promoted by those who favoured the doctrine of "states rights," and desired to diminish the patronage of the executive. During the four years of Mr. Adams's administration no less a sum than fourteen millions of dollars was expended on national objects in which the whole Union had a common interest. None affirmed that this expenditure was useless, injudicious, or extravagant, but it excited a sectional animosity among those who agitated the doctrine of "states rights;" and it is here mentioned as among the real antecedents to the subsequent revolt of South Carolina during the administration of General Jackson.

In 1826, trade with the West Indies was prohibited, as the Government of England would not abolish the discriminating duties.

In 1827, the annual report of Mr. Rush, secretary to the treasury, recommended a protective tariff in favour of American manufactures; and in 1828 a new tariff bill was passed. It was very unpopular in the southern states, which were still plantation and agricultural in industry, and desired the cheaper fabrics of Europe. The South, accordingly, denounced the new tariff as unconstitutional and oppressive, for their interests were very different from those of the North.

During the rule of Mr. Adams, chiefly devoted to domestic policy, the interest on the public debt had been punctually paid, while the debt itself had been constantly in a process of reduction. On the 1st of January, 1829, it stood at 58,362,136 dols., so that the principal sum had been reduced by 21,627,638 dols. during the four years' rule of Mr. Adams, who also left in the treasury on his retirement from office a surplus of 5,125,638 dols. The financial operations both of Mr. Monroe and of Mr. Adams are the more creditable to those

Presidents considering the commercial crisis through which the United States passed while they were at the head of affairs.

Mr. Adams was an eminently conscientious statesman. The purity of his moral sense was without taint. He never made any mean, dishonouring compromises with expediency. Equivocation was his abhorrence, and he scorned to catch at a fleeting popularity by tiding over difficulties. The following extract from his inaugural address reveals the character of his mind.

"No government," said the President, "in whatever form constituted, can accomplish the laws of its institution but in proportion as it improves the condition of those over whom it is established. Moral, political, and intellectual improvement are duties assigned by the author of our existence, to social, no less than to individual man. For the fulfilment of these duties governments are invested with power; and, to the attainment of the end, the progressive improvement of the condition of the governed through the exercise of delegated powers, is a duty as sacred and as indispensable, as the usurpation of powers not granted, is criminal and odious."

In connection with the finances of the United States, Mr. Adams stated that a sum little short of thirty millions of dollars had been paid from the common treasury for that portion of the national domain which had been purchased from France and Spain, and for the extinction of aboriginal titles. The area of lands acquired by these arrangements he computed at nearly two hundred and sixty millions of acres, of which, on the 1st January, 1826, about one hundred and thirty nine millions of acres had been surveyed, while little more than nineteen millions had been sold. Of those sold a considerable part had been conveyed under extended credits. In March, 1821, a debt of twenty-two millions of dollars, due by purchasers of the public lands, which they were unable to pay, had accumulated. To their relief, congress had passed several acts between the years 1821 and 1826, but, according to law, the last of these indulgent provisions expired on the 4th July, 1827. Many buyers were wholly excused from their bargains on re-conveying the lands to the government; to others Mr. Adams proposed to extend the period of payment. Three-fifths of the balances then due were for lands in Alabama. The chief causes of this derangement were the monetary crises through which the nation had passed on the termination of the war, and which had been aggravated by the reckless system of banking, through which the directors greedily aimed at large dividends by granting loans or discounts to desperate speculators who did

not buy lands with any view to their cultivation, but to sell them at an advanced price at some postponed date. This facility of loans encouraged the mania of gambling, which seized on thousands of penniless adventurers who had nothing to lose, but by imposture and hypocritical pretensions sustained the appearance of being men of substance. When the exhausted banks could no longer make advances or renew bills that had arrived at maturity, the bubble burst, and the land defaulters could no longer discharge their obligations to the federal treasury.

The attention of Mr. Adams was anxiously directed to the protection and encouragement of native industry, in reference to which he delivered the following sentiments on the policy of a prohibitive tariff and the just incidence of taxation.

“So far as the object of taxation is to raise a revenue for discharging the debts and defraying the expenses of the community, it should, as much as possible, suit the burden with equal hand upon all in proportion with their ability of bearing it without oppression. But the legislation of one nation is sometimes intentionally made to bear heavily on the interests of another. That legislation adapted, as it is meant to be, to the several interests of its own people, will often press most unequally upon the several component interests of its neighbours. Thus the legislation of Great Britain, when, as has been recently avowed, adapted to the depression of a rival nation, will naturally abound with regulations of interdict upon the productions of the soil or industry of the other which come into competition with its own ; and will present encouragement and even bounty to the raw material of the other state which it cannot produce itself, but which is essential for the use of its manufacturers, competitors in the markets of the world with those of its commercial rival. Such is the commercial legislation of Great Britain as it bears on our interests. It excludes with interdictory duties all importation (except in time of approaching famine) of the great staples of our middle and western states ; it proscribes with equal rigour bulkier lumber and live stock of the same portion (of the country), and also of the northern and eastern parts of our Union. It refuses even the rice of the south, unless aggravated with a charge of duty upon the northern carrier who brings it to them. But the cotton, indispensable to their looms, they will receive almost duty free, and weave it into a fabric for our own wear, to the destruction of our own manufactures, which they are able thus to undersell.”

He enforced the principles of protection in these terms:—
“Is the self-protecting energy of this nation so helpless that there exists in the political institutions of our country no power to counteract the bias of this foreign legislation? That the growers of grain must submit to this exclusion from the foreign markets of their produce—that the shippers must dismantle their ships—the trade of the north stagnate at their wharves, and the manufacturers starve at their looms—while the people pay tribute to foreign industry to be clad in a foreign garb? That the congress of the Union are impotent to restore the balance in favour of native industry, destroyed by the statutes of another realm?”

Mr. Adams then referred to the hostility evinced by various parties in America against that measure of protective policy which had been enforced. “The tariff,” he said, “of the last session was, in its details, not acceptable to the great interests of any portion of the Union, not even to the interest it was specially intended to subserve. Its object was to balance the burdens on industry imposed by the operation of foreign laws, but not to aggravate the burden upon one section of the Union by the relief afforded to another.”

That such was the intention there can be no doubt, but to carry it into practice was the difficulty. Mr. Adams expressed a hope that the principle of the late Tariff Act would be maintained, remarking at the same time that if it could be shown that the import duties imposed by it only relieved the manufacturers by aggravating the burdens of the planters, its provisions might be carefully revised so as to hold the balance even between all classes. To reconcile the conflicting interests which had grown up with time and changed circumstances, under the strictly limited views of buying in the cheapest and selling in the dearest market, was not within the power of statesmanship. The manufacturers desired protection to the extreme point of absolute prohibition, and to them free-trade was a mere hypocritical phrase really masking an industrial invasion. On the other hand the plantation states, not being producers of manufactures but simply consumers of them, championed the principle of unrestricted commerce, being the sellers of a raw material not exposed to competition; they wished to carry their cotton to England at the lowest freight, instead of paying the higher freight demanded by the shipowners of the eastern states; and for the same reason they preferred the cheap fabrics of Lancashire and Yorkshire to the costlier ones of Massachusetts and Pennsylvania. Both parties were influenced by the

selfishness of sectional interests, ignoring the claims of nationality, and both were arraying states rights against the rights of the federation to which they all belonged. Each separate section that adopted these views acted on the narrow maxim inspired by egotism, "I care not who sinks, provided I swim." Secession, or a dissolution of the Union, was an intelligible principle, and where antagonism was utterly irreconcilable, it was a rational policy, for a federation in which the constituent numbers are in constant discord, is a contradiction in terms and in sense.

The legislative session had been so disgraced by party bickerings, arising almost to personal violence in some cases, that Mr. Adams deemed it advisable, in a message addressed to both Houses, to call special attention to the paramount rights of congress in relation to the rights of the separate states. It contained the following remarks:—

"The United States of America, and the people of every state of which they are composed, are each of them sovereign powers. The legislative authority of the whole is exercised by congress under authority granted by them in the common constitution. The legislative power in each state is exercised by assemblies deriving their authority from the constitution of that state. Each is sovereign within its own province. The distribution of power between them presupposes that these authorities will move in harmony with each other. The members of the state and general government are all under oath to support both, and allegiance is due to the one and to the other. The case of a conflict between these two has not been supposed, nor has any provision been made for it in our constitution, as a virtuous nation of ancient times existed more than five centuries without a law for the punishment of parricide. More than once, however, in the progress of our history, have the people and the legislature of one or more states, in moments of excitement, been instigated to this conflict; and the means of effecting this impulse have been allegations that the acts of congress to be resisted were unconstitutional. The people of no one state have ever delegated to the legislature the power of pronouncing an act of congress unconstitutional, but they have delegated to them powers by the exercise of which the execution of the laws of congress within the state may be resisted. If we suppose the case of such conflicting legislation sustained by the corresponding executive and judicial authorities, patriotism and philanthropy turn their eyes from the condition in which the parties would be placed and from that of the people of both who must be its victims."

This conflict which Mr. Adams foresaw and lamented arose during the administration of his immediate successor, President General Jackson, when South Carolina arrayed its militia against the laws of congress and menaced war on the federation, which General Jackson averted by the vigour of his policy. The rule of Jackson forms a very distinctive epoch in American history ; in one sense it was revolutionary, in all senses it was most calamitous : but to understand its character and spirit, its antecedents must be studied under the various forms of industry, tariffs, manufactures, and banking.

(To be continued.)

BY THE BANK.

I VERY much doubt if the *multum in parvo* system be carried in any other city in the world to such an extent as it is in London. Great and straggling as our modern Babylon is, there are certain spots in which a man might pitch his tent and find within something like a stone's throw of him nearly everything he needed in life. By merely crossing over the street on his right, or the one on his left, he could absolutely satisfy all, or almost all, his mental and physical wants, barring, perhaps, his craving for fresh air. Of all places in London, by the Bank is the one where the powers of squeezing much into little has been most successfully accomplished. Some might think it a hardship, but I most solemnly aver that nothing could be more satisfactory to my feelings than a moderate competency, and a waterproof hut, at the foot of the Wellington statue in front of the Royal Exchange, the said statue to come between my majesty and the east wind. To your imaginative poet this doubtless seems the wish of a madman, but your good, sharp, practical man will applaud me for it, and think that, next to himself, I am about the most clever person in existence. What would a country mansion in the midst of a large park be to my compact hutment in the very centre of the most civilized city on the face of the earth ? Simply a lodging in a howling waste, whilst mine—but let me explain the advantages of my retreat, and in order to do so in the most convincing manner, imagine me located there.

Imprimis, I have just risen, after a refreshing night's sleep, into which I was lulled by the rumbling of vehicles and the monotonous tread of City policeman 1001. I enjoy my bath, dress in a leisurely manner, throw open my door, and stepping out, am at once in the very midst of business life. There have been no vexatious delays, no waiting for breakfast, no delay about boots, no loitering omnibus wasting precious minutes, nothing to disturb my equanimity. The moment I am out of doors my favourite member of the shoe brigade

pounces upon my feet, and beginning at my upper leathers, in a few minutes has given them a polish which would throw Day into ecstasies and drive Martin wild with joy. Whilst the operation is proceeding, half a dozen urchins offer me a choice of penny papers, and I have the news, so to speak, fresh and hot as new rolls. Before I breakfast I am "up" in all matters, have the closing price of Consols, and notice with delight that my pet company the Otranto Grand Junction Interfinancial Association (Limited) has moved from $\frac{1}{4}$ discount to par! And while I am calmly reading this satisfactory intelligence, City people are hurrying past me in hot, uncomfortable haste, to get to their offices in good time. How they must envy me my retreat! Now my boots are done, and I may think of breakfast; but first let me look around and reflect. What a superb situation; before me is the Poultry, alive with loaded vehicles and foot passengers. On my left I have the Mansion House, reminding me of the municipal privileges of the City and the even-handed justice with which our criminal laws are administered. On the right is the Bank of England, suggestive of wealth, and of that vast national debt which England bears on the whole in a remarkably cheerful manner. At my back is the Royal Exchange, recalling those richly freighted argosies that are ever sailing from and to our ports. In the Quadrangle is the statue of the Queen, calling to mind our constitutional monarchy; and throwing its shadow over me is the effigy of Wellington, speaking very forcibly of our military greatness. Then if I look up Prince's Street, is there not in the shape of the Union Bank a reminder of our commercial enterprise and greatness; and further still, have I not my little bit of country, my trees, which in the spring at least delicately hint at the beauties of English landscape. Why, where could a more suggestive spot be found than that on which I am standing?—justice, civic greatness, national greatness, war, commerce, navigation, and constitutional government. It is true that Parliament is not represented, but then have I not in the session a newspaper filled with reports of debates, and when the house is up have I not "extra parliamentary utterances" by the yard?

Breakfast! Nothing easier; four doors up Lombard Street I can, without the trouble of making it, procure strong Bohea, or a fragrant cup of Mocha, with roll and butter and a couple of slices of delicate ham, in which there is just the admirable balance of marrow-like fat with succulent lean; and have I not also more newspapers, with a choice of comic periodicals by way of salt to the solid meat? With just the trouble of crossing the road my morning repast has been procured, and now I am ready for the work of the day. I have imagined that I have a small competency: I will further imagine that, like the rest of the world, I do not agree with Dr. Watts, that "Man wants but little here below," but rather that he wants that little more, hence I wend my way to the Stock Exchange. Wend my way, do I say, why, is not that very centre of the world's lottery at the

very threshold of my door? Certainly it is; and here I am in the Babel, and "Otrantos" have risen, and I have made my little more. Shall I not let my brother in the country have a chance in the "good thing?" Certainly I will. Another step or two and I am in the telegraph office, and able to flash a message north, south, east, or west.

My message sent, I recollect that land in the neighbourhood of London is rising rapidly in value, and I have a few hundreds to spare; shall I try the speculation? Certainly; and I have only to cross Cornhill, and there is Garraway's;—every facility, you see, gentle reader, is at hand; and as I cross to and fro I see my respectable charwoman "tidying" up my mansion. Back again to the Stock Exchange; another bit of luck, and the cheque in my pocket. What shall I do with it? Have I not every kind of bank at hand to lodge it in? There is the Bank of England, *apropos* of which, you see, I have only to step over the way on dividend days; then there are the joint-stock banks, then there are the private banks, and, finally, the limited liability banks. There they all are—but what is that tug at my pocket; a young gentleman is attempting to seize my handkerchief, but I seize him instead; a crowd collects; a brass-lettered policeman comes up, and, of course, the Mansion House is only over the way: in half an hour justice is appeased, the juvenile offender, as the reporters call a young thief, has been sentenced to fourteen days, and I am at home, quietly writing a letter. That done, two minutes takes me to the post office, and then I confess I am again hungry. Have I any difficulty in finding a luncheon-house? None: is there not Birch's, where mock turtle and cold punch can be procured, the best in the world? Thither I will go, and as I sit at a window on the first floor I see my charwoman carefully lock my front door and then disappear into the vortex of life that is whirling madly along on every side that I gaze.

Refreshed, I once more sally forth, and it recurs to me that a vessel in which I had a little venture may have come to grief during the late frightful cyclone at Calcutta. I would then satisfy my mind on that point, and before I can say "presto" I am at Lloyd's, and in three minutes I have been assured that my fears were groundless. Another hour or two amongst operators and I am in 'Change, and can see the back of my hut, cut in two by the Wellington statue. The hum of voices increases, the people who always sit on the benches in the quadrangle try to look as if they, too, were taking part in the din. As I move about I am brought face to face with men who are the Derbies, Palmerstons, Disraelies, Stanleys, and Gladstones of the commercial world. The excitement increases, the bell rings, the great gates close, there is a movement amongst the loungers, followed by one amongst the busy crowd, and at length there is an outpouring of the multitude and I am at home, with half a dozen letters to write to conclude my day's work. You see, without moving away from my hut an eighth of a mile my business wants have been satisfied.

By half-past four or five I am a free man. *Le Roi s'amuse*, and there is no dearth of amusement, especially as when work is over one looks at the same things with very different spectacles. In the morning I regard the Bank and the Royal Exchange from a commercial point of view; in the afternoon I am somewhat of an art connoisseur, and I cannot help wishing that Palladio's design for the Mansion House had been adopted rather than Dance's; that some other sculptor than Lough had been employed to produce a statue of the Queen for the Royal Exchange; that Sir John Soane had not put so much ornamentation on the Bank; and that the Duke of Wellington at the back of my hut had a pair of stirrups to his saddle! Cornhill is my Bond Street, and as I leisurely walk up it I have enough and more than enough to satisfy my curiosity. But stop—I had intended to insure my hut, and there is the Globe Office staring me in the face, and reminding me of my forgetfulness, to-morrow I will remedy my neglect. Now what do I want? Clothes? Yes; well Cornhill has a tailor's shop. Books? Effingham Wilson, and Smith Elder and Co., will supply them, and I doubt not publish my forthcoming pamphlet on the currency question. Pictures? At Leggatt's I can procure them, and at the same time does he not furnish me with an art exhibition for nothing? Watches or jewellery? Legion is the name of jewellers on Cornhill. Do my friends desire to present me with a service of plate? I will select it for myself at Savory's. Cigars, tobacco, and pipes; wines, beer and spirits? Cornhill and Birchin Lane will supply them. An outfit for any part of the world, or a uniform for the City Rifles? Silver and Co. are the men. Dressing cases, writing desks, and knick-knacks in general? They are all to be procured in my Bond Street, to say nothing of hats, boots, umbrellas, whips, sticks, wedding breakfasts and ball suppers. I can get them all, and if in all the shop windows I cannot find amusement to while away the time to my dinner hour I must be *blasé* indeed.

When I come to dinner I have a choice indeed of "Where to dine?" Within a few hundred yards of my hut I can get the best cooked chops and steaks in the eating world, and there are houses where joints are served fit for the table of Lucullus; and we can, too, in Cornhill procure a dinner of French "kickshaws" that shall not be unworthy of the *chef* of the *Maison Dorée*. But before I dine let me not forget my military spectacle. I have every evening a "hint" of the pomp and majesty of glorious war in the shape of the night guard for the Bank of England. True, the procession is not very imposing, but what there is of it is satisfactory, and it is pleasant to be allowed to get a peep of a luxury that we have to pay for. So back again to the hut. "Here they come—they march splendidly"—"here they are"—"the officer is a good-looking fellow"—"there they go"—"that sergeant is over six feet." "Now they have gone." "Very, gratifying, isn't it?"—and so to dinner.

But, exclaims my Lord Dundreary, you haven't any clubs? I beg

your pardon, but I was just thinking about dining at my club—the Gresham, only a few paces from my front door. A cosy, snug club, with a good cook, and a cellar of wine that the Reform would be glad of. So you see you are wrong. I dine at my club quietly and serenely, thankful for a good, well-dressed meal, and retire to the smoking-room with those benevolent feelings in my breast which attend on good digestion! I smoke awhile and then stroll out to look at my favourite spot sinking to slumber after its hard day's work; but my reverie is broken in upon by Smith, who proposes billiards, and in a couple of minutes we are at Stebbing's, and over our game partake of some most excellent coffee and an equally excellent anchovy toast. Billiards finished, I am instantly at home, and as I turn my back upon the world I am thankful there is a fire escape close to me. I should not need it certainly, but I feel sure that if, through my bad habit of smoking in bed, my hut caught fire, the man in charge of the machine would chop my abode to pieces before I was quite suffocated, and so—Good night!

"Stop, stop!" exclaims my reader, "where's your lawyer? You can't do without that necessary evil." "If you will do me the favour to step outside and look up Princes Street you will see, just at the corner where the moonlight is streaming, a large stone house, *that* is the office of one of the most eminent solicitors in London." "Oh, indeed; well, then, suppose your affairs get into a mess, where's your accountant?" "You can't see the house, but at the opposite corner, in Moorgate Street, there happens to be an accountant." "Ah! well then, where's your church?" "There are three close at hand!" "Oh! well, now I have you—where's your linendraper?" My dear Sir, I am a single man, but if I were married, do you suppose I should allow my wife to live in the midst of so many tempting shops? Certainly not. When I turn Benedict, I shall live in the country at some distance from a town, and not within four miles of a railway station! Now are you satisfied?" "Pretty well." "Then, again I wish you good night, and I think I may fairly conclude I have established my claim to have 'By the Bank' regarded as one of the most comfortable spots for a bachelor to reside in—mind, I said a *bachelor*. Good night!"

INDIAN CURRENCY.*

At the commencement of the present year, the Bombay Chamber of Commerce presented a memorial to the Governor-General of India in Council, requesting him to introduce a well regulated gold currency into our eastern empire. This they urged on the ground that silver

* On the Gold Currency for India. By Lieutenant-General Sir W. R. Mansfield, K.C.B. London: John Murray, Albemarle Street, 1864.

was no longer adequate for the circulation of commodities which, of recent years, had prodigiously increased among the swarming population of Hindostan. It was stated, that within the last ten years, the trade of Bombay had been trebled, while the exports and imports of Calcutta, Madras, and Bombay amounted, in 1863, to 1,060 millions of rupees. The annual produce of silver throughout the world is computed at ten millions sterling; and the proof of its insufficiency is clear from the fact that during the last six years the average annual imports and absorption of that metal in India alone have amounted to eleven and a half millions sterling, while in 1863 the import was no less than fourteen and a half millions sterling. Unless this tendency to increase be checked, all other nations are threatened with a drain of their silver currency till absolute exhaustion takes place. It must also be considered that of late years general production has been prodigiously stimulated in India, and with it an enormously enlarged circulation of commodities; therefore, silver must rise in price relatively to commodities till production itself is arrested, unless the currency be supplemented by gold as legal tender. Throughout India, silver is now the dearer of the two precious metals because it has a privilege denied to gold—the privilege of passing from hand to hand as money of account. Silver now reaches India under the disadvantage of having to travel half the circumference of the globe from Europe, while, comparatively speaking, Australia, abounding in gold, is proximate to her shores; and though it is true that gold is imported, yet it is simply as commodity, not being legally recognized as money of account. It is, however, important to observe that in the absence of gold coin, the Bombay banks have stamped gold bars with their mark, and they are thus circulated by voluntary convention in several parts of the country. This shows, so far as it goes, that gold coin would be welcome with the government stamp, since gold ingots are current as a rude substitute.

This state of things induced Sir W. R. Mansfield, a meritorious military officer now serving in India, and holding the high rank of lieutenant-general, to investigate the subject, which he has done with acuteness, impartiality, and judgment, and what invests his pamphlet with peculiar interest, is the large and accurate local knowledge of the trade of the country and of the inner life of the people. He directs his argument with great power against the views of the late Mr. Wilson when that gentleman was financial member of council at Calcutta, in 1859, in which year Mr. Wilson published a minute condemning a gold currency for India. That minute contended that a change from a silver to a gold currency would involve a breach of faith with the creditors who had contracted their obligations in the form of silver. Some other objections were raised, but they were rather verbal than substantial, derived from imagination rather than founded in logic, and they need not here be noticed. It is the "breach-of-faith" objection, so frequently reproduced at different periods of

legislation, and as frequently set aside as worthless, that demands attention.

Sir W. R. Mansfield remarks that Mr. Wilson anticipated a heavy fall in the value of gold from the discovery of additional new mines, to which fear could not assign any limit ; but, as our author remarks, "he overlooked the corresponding circumstance that silver, if stationary in the amount produced, would proportionally rise. He thus neglected to consider that, as a means of appreciating value, silver was, in truth, as uncertain as gold ; this being true, both with regard to new contracts hereafter to be made, and to those of ancient date."

This alone ought to be decisive in the present stage of the argument ; but our author places the subject in another form, and insists with force irresistible, that "the State does not, and cannot bind itself never to change the character of its legal tender, or expression of measure, which it looks on as liable to change like other institutions." It has been shown in the pages of this Magazine that what is conventionally called the "Standard of Value" has been changed not less than fourteen times in the monetary history of England, or about once in every fifty years ; and, with one exception, the change has always been one of depreciation. Money, whether composed of metal or of paper, is but the machinery of exchange, and when governments or individuals contract debts, they do not borrow a commodity of trade of a definite weight and fineness, though that may be the outward sign or form of the obligation, but they borrow a representative of value ; and if, when they pay the debt they discharge that value, the equity of the contract is redeemed, for it is the purchasing power of money over markets that constitutes its value, and, of course, a fall in commodities is a rise of money. To this Dr. Arnold refers in his History of Rome, when commenting on the monetary reform effected by Julius Cæsar.

"When the Dictator Cæsar," observes Dr. Arnold, "remedied the evils arising from a scarcity of money, during the civil wars, he was accused of making the creditor sustain a loss of nearly twenty-five per cent. ; and men are so apt to regard money as the only standard of value, that this feeling is still very general ; and he who should pay his creditor a less sum in actual money than he had borrowed, would be thought to have defrauded him of his due, although from an increase in the value of money what he paid might be fully equal in its command over other commodities to the sum which he had originally received."

It was the neglect of these distinctions that led to the gigantic fraud of restoring cash payments in 1819, when £600,000,000 lent in depreciated paper were deemed the equivalent of an equal sum in appreciated gold pounds, the legislature most erroneously concluding that Government had borrowed a special commodity of trade, instead of a conventional representative of value. The fact was, that the paper borrowed during the war, and funded in a 3 per cent. stock at 60, was

only worth ten ounces of gold, for which the lender was credited twenty-five ounces when cash payments were resumed. Here, then, "the breach-of-faith argument" led to the very injustice it was intended to avoid ; its implied profession of regard for the interests of the creditor most severely and permanently damnified the debtor, and the error arose from the notion that when Government borrowed a pound of account, it borrowed a weight of metal. The simple question that ought to have been asked at the close of the war was this : when the loans were being contracted, was it ever understood by borrower or lender that they should be redeemed in money of double value ? The answer would have been contained in the very absurdity of the question ; and the more so when men reflected that the cost of naval and military defence against invasion was really more conservative of funded than of any other property ; it was therefore preposterous to give fundholders who had received high interest for their money an enormous bonus for protecting their property against the spoliation that would have followed conquest. However, "the breach-of-faith argument" was triumphant in 1819 ; cunning men put it forward for their own selfish benefit, and simple men adopted it, and it grew into a precedent, and has influenced legislation till our times ; among others, Mr. Wilson accepted it, as one of the financial dogmas of the political party that had raised him to office, and applied it to India.

Regarding currency as a "machinery of circulation," Sir W. R. Mansfield contends "that there is no good reason why we should be irrevocably bound hereafter by an accidental form of legal tender which happens to be in existence now." It should also be considered, though it rarely enters into the mind, that when society fixes on a commodity as the standard measure of value, it unconsciously reverts to a system of barter, which it professes to have abandoned after it has adopted a system of money. The essence of a standard is immutability, but every commodity is liable from a variety of causes to constant oscillations, which, of course, negative the idea of immutability, and thus show that neither of the precious metals is fit for a standard ; and though they have been hitherto so chosen, they have proved but clumsy contrivances. When men become wiser and see a monetary error, are they never to correct it ? On this silly adherence to precedent, our author remarks in condemnation of Mr. Wilson's exclusive attachment to silver, "the community would be absolutely precluded from effecting any improvement or economy in the working of that particular machinery, organised and maintained by the community at its own charges, for the performance of particular functions, which affect alike the State and the individual." It is certain that of recent years silver has become more and more costly ; and with a tendency to increase in costliness, the supply being unequal to the increased demand for that metal in India and China, the inevitable consequence is that all debts contracted in silver must increase in pressure, that is, be more difficult to be discharged, although

the denominations of money be unchanged ; it is not the rupee but the silver, the metal contained in the rupee, which becomes more costly. To persist in Mr. Wilson's scheme, this mutation in values secretly operating, is to offer a premium to the creditor class, and thus to create the very breach of faith which Mr. Wilson's argument sought to avoid. His adherence to the letter of the contract was his mistake, betraying him into the error of not perceiving that all monetary obligations are made for value, not for the commodity which happens at the time to be the conventional legal tender. Be it remembered that a metallic standard must ever be as shifting and variable as the metal of which the standard is composed ; for which reason the coin and the commodity are always liable to come into conflict, of which we have almost daily instances before our eyes in London, though disguised under the mystic nomenclature of the "variation in the foreign exchanges," a phraseology invented to delude the public ; the simple and real fact being that the mint price of the coin no longer accords with the market price of the ingot.

There are interesting chapters in this pamphlet on the policy of France and of the United States substituting a gold for a silver currency, on the discovery of the new mines, which checked the rise in silver, and prevented the fall in gold ; and also on the opposite policy of Holland, Belgium, and India, all of which demoralized gold through a fear of its large and rapid decline in value ; this our author considers was a policy of "inconceivable rashness," since it caused the very evil it professed to dread, for silver, being the sole legal tender, or money, immediately rose in price. Before the gold discoveries, that metal was as low as 4s. 11d. per ounce ; afterwards, it rose to and even exceeded 5s. 2d. per ounce. As gold coin ceased to be legal tender in India, where the balance of trade was heavily against Europe, England was constantly parting with its gold, and draining France of silver, to pay its debts to India, and this scramble was constantly deranging the home-trade of the two countries. The evil still continues, nor will it cease till a gold legal tender in India lowers the price of silver by checking the demand.

One of Mr. Wilson's plans was to introduce a paper currency into Hindostan. This expedient, Sir W. R. Mansfield pronounces injudicious, the native population being too ignorant and suspicious to accept anything as money but solid substance, thus resembling very many in England who demand something that "rings on the table." In the Presidency towns and large cities on the sea, bond notes would be taken, but would be worthless for circulation in the interior. In fact, only a civilized people, trained in moral courage, will have confidence in a representative value ; and Oriental people insist on the intrinsic ; hence their love of bangles, and other gold or silver ornaments carried about their persons, which they can constantly see and touch, giving them the assurance of security. But though it is true

that the natives would distrust bank-notes, such as are current in England, that is, professedly convertible into gold, it does not follow that they would refuse notes of a different character—of a character that does not appear to have presented itself to the mind of either Mr. Wilson or of Sir W. R. Mansfield. Suppose that Government, as proprietor of the soil of India, issued its own notes in payment of the troops, and promised to take them back for the rent of land, which constitutes the chief revenue, would the natives distrust a currency so accredited, so firmly guaranteed? We think not; at any rate, we think it would be wise to give publicity to such a financial instrument, for if it disarmed suspicion and became current it would greatly diminish the dependence of the public on gold and silver.

On introducing a gold coinage into India, Sir W. R. Mansfield would retain the rupee as the nominal unit of account in which men reckon, whether its value were expressed in gold or in silver, as the franc has been preserved in France and the dollar in the United States; and he thinks that "gold coins, struck for the purpose of domestic exchange, should be multiples of the rupee as laid down in the Act of 1835."

The main principle contended for in this able pamphlet, which may be perused with profit by all financial students, is the necessity of apportioning money to the goods which money circulates; and since silver is inadequate to the task in the present industrial states of India, gold is recommended to remove the present deficiency of circulating medium. A truth of the gravest importance is also inculcated, namely, that debt is not a contract for a commodity but for value; and had that truth been perceived and acted upon since 1797, England would have escaped a mass of evil which is incalculable. The practical pressure of the national debt and of all private mortgages would not have been doubled by the Act of 1819. Since silver is rising in India, and must continue to rise more and more if it remain the sole legal tender in discharge of debt, every debtor must henceforth give more and more labour to buy the silver at which alone his debt can be discharged. This is the result of regarding the contract of debt as a contract to replace a commodity, without considering whether in the course of time that commodity become more difficult of acquisition; this is an unjust advantage to the creditor for which he never bargained, and a cruel plunder of the debtor—an evil that would be avoided if debt were treated as a contract for value. This is a principle long contended for in the pages of this Magazine, and it is gratifying to know that it has received the support of a writer so acute and logical as Lieut.-General Sir W. R. Mansfield.

Banking and Commercial Law.

SECURITIES; PERSONAL ESTATE OF MARRIED WOMAN IN COURT; SALE OR DEPOSIT OF CHATTELS; IMPLIED WARRANTY ON.

It is of course well known that in *law* money given by will or deed to, or otherwise belonging to a married woman, passes to the husband *juri mariti*, that is, whenever it is reduced into possession by the husband. But if it is a fund standing in the Court of Chancery, that Court exercises a right not to permit the husband to take the fund, or any part of it, until he has made what is in the opinion of the Court an adequate settlement on his wife and children; and it is in the absolute discretion of the Court to make such settlement of the whole or of any part of the fund. In exercising that discretion, the Court is guided by the circumstances, such as, whether there is already any reasonable provision for the wife and children, the conduct of the husband, or other circumstances affecting the welfare of the wife and children, regardless of any rights or claims of assignees of the husband. An assignment, therefore, by the husband of any portion of a fund in Court belonging to his wife is, in general, a very unsafe security. This appears in a strong light by a case of *Heath v. Lewis* (5 New Rep., p. 32). There a fund in Court was carried over to the account of Mr. and Mrs. Johnson, then residing at the Cape of Good Hope. In 1856 Mr. Johnson came to England, and by virtue of a power of attorney executed by his wife, borrowed £100 on the security of the fund, of course assigning it.

What the wife's power of attorney had to do with the alienation we do not understand, as a married woman cannot make any deed effectual to alienate any right she may have to personal property. However, that was one of the facts of the case.

After the assignment the husband petitioned for payment to the assignee, and for a settlement of a moiety of the residue of the fund on his wife and children, and payment of the residue to himself. The wife counter-petitioned for a settlement of the whole before any settlement was directed. Mr. Johnson became insolvent, returned to the Cape, and there obtained a divorce from his wife. Here was a question as to domicile, which is immaterial for the present purpose.

Mrs. Johnson after the divorce, which the Court held valid,

petitioned for settlement of the whole fund, and the Court held that she was so entitled; that as she was entitled to the whole fund subject to the marital right, that right being gone by the divorce, and the assignment being in the opinion of the Court no reduction into possession, the whole fund was to be settled on the wife and children, to the exclusion of the assignee.

A delivery of goods coming under the legal designation of chattels upon sale, and a delivery of goods by way of deposit upon an advance of money, fall under the same principle; and, therefore, the case we are about to cite is important to holders of chattels as securities, as well as to purchasers.

Upon this subject we may, by way of preliminary observation, say that in general where a shopkeeper sells or offers to sell goods, it has been held in some cases that that is evidence of his selling as owner, and he therefore enters into an implied warranty for title, *Ryall v. Rowles* (1 Ves. sen., 348); and again, if a shopkeeper sells goods in his shop, he sells as his own, and warrants title, *Morley v. Attenborough* (3 Exch., 500. But *Springwell v. Allen* (2 Earl, 448 n.), and see "Broom's Maxims," 768 (4th edit.), *nem. contra*.

In *Eichholz v. Bannister* (5 New Rep. 87) the case was this: The plaintiff bought of Bannister the defendant a lot of prints, and paid for them at Bannister's shop. The defendant sent the goods to the plaintiff, with the usual tradesman's invoice. A few days afterwards, the plaintiff found that the goods had been stolen, and he returned them to the rightful owner, and brought his action for the price against the defendant. Verdict for the plaintiff. A rule was then obtained to set aside the verdict, and enter a verdict for the defendant, on the ground that there was no warranty of title. On the plaintiff's side, it was argued that there was an implied warranty of title, and a failure of consideration; that is, that as the goods were not the defendant's, he sold nothing. On the other side, it was argued that mere sale did not raise an implied warranty; that there must be something more on the nature of contract or implied covenant.

But the Court discharged the rule, holding that there was implied warranty, the vendor having, by his conduct, led the purchaser to believe him the vendor to be the owner.

We give the judgment of Chief Justice Erle *in extenso*, as it is a valuable exposition of the law.

He said, "After hearing the case remarkably well argued, I am of opinion that the rule should be discharged. I decide

the case in accordance with the current of authorities which have not been disputed, viz. : that if the vendor by word says that he is the owner of a chattel, or by his conduct leads the vendee to suppose that he is, that is part of the contract. The rule is so laid down by Baron Parke, in the elaborate judgment in *Morley v. Attenborough*; and he adds, that if articles are sold in a shop professedly carried on for the sale of goods, the title to them is warranted. Here the shopkeeper, by his conduct, affirms that persons buying in his shop, buy from the owners, and the plaintiff buys there; and if the defendant was not the owner, a condition of the contract is broken, for which the plaintiff may recover." So much for the particular case. Mr. Molkes says there is no warranty of title on the sale of chattels, and there is authority on authority for that position. I adverted to May one of the authors constantly cited on this point, and he says. (page 209.) "If I take the horse of another man and sell him, and the owner takes him again, I may have an action of debt for the money; for the bargain was perfect by the delivery of the horse, and *caveat emptor*, that statement at first shocks the understanding; but I take its meaning to be, where I am in possession of a horse, and, without holding myself out as owner, neither affirm nor deny my title to it, and if you choose to give me money for it and take it such as it is, you cannot, if it be reclaimed by a third person, recover the money you have so paid. So in *Morley v. Attenborough*, a pawnbroker selling forfeited pledges gives notice to vendee of what it is he sells, and that he knows nothing absolutely about the title, and consequently if the real owner comes forward and recovers the article, the pawnbroker has a right to keep his money. So in *Chapman v. Speller* the seller merely assigned the right he had purchased of the sheriff, and in *Hall v. Conder* the defendant did not profess to sell a good and indefeasible patent right. But in almost all the transactions of sale in ordinary life the vendor exercising the highest right of dominion, holds himself out as owner and leads the purchaser to believe that he is so, and that is the case of a seller selling as his own; put by Blackstone, Nay's maxim is merely a dictum and has always been so treated. This is another case which shows the wisdom of Lord Campbell's remark in *Sims v. Marryat*, that if by the law of England the maxims of *caveat emptor* applies on the sale of personal property, the exceptions have well nigh eaten up the rule. The result is, that mere sale, unaccompanied by any circumstances, implying assertion of ownership, does not give warranty of title; but any material

cases implying an assertion of ownership, *a fortiori* an actual assertion of ownership will give implied warranty of title, so that if the ownership does not exist, and the purchaser is deprived of the property by the real owner, he may recover against the vendor. Upon the authority of the case, there can be little doubt, that if a tradesman—say a silversmith trading in selling plate, and not merely receiving it in pledge—were to deposit plate with his banker for an advance, and it turned out that the goods were not his, the banker could not recover against him, apart from any other security or contract for repayment; but if the tradesman was known to be a pledgee or deposité of plate, it would, we apprehend, be otherwise, because then there would not be clearly implied evidence of ownership, and whatever the lender's other remedies might be, he could not recover on implied warranty for title."

TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month and ten months ended the 31st October were issued on the 29th November, but, unlike those of several previous months, present some rather unfavourable aspects. There is a considerable decline in the value of our exports, as compared with the same month of last year, which is chiefly to be ascribed to the falling off in the exportation of cotton yarn and cotton manufactures, though there are many other articles of minor importance which assist to swell up the general total. The total declared value of exports for the month last past is £12,871,491, against £15,082,332 in the month of 1863, and £9,846,835 in 1862, which is a decrease on the former period of £2,210,841, but an increase on the latter of £3,024,656. For the ten months of the present year the total is £136,275,652 against £119,377,045 in 1863, and £103,519,269 in 1862, which is an increase of £16,898,607 as compared with 1863, and of £32,756,383 as contrasted with 1862. As regards exports, there has been an increase in linen manufactures, seed oil, and silk manufactures, but a decrease in alkali, arms and ammunition, beer and ale, coals and culm, cotton yarn, cotton manufactures, haberdashery and millinery, hardware and cutlery, linen yarn, metals, spirits, wool, woollen and worsted yarn, and woollen and worsted manufactures. With respect to imports, an increase is exhibited in clocks and watches, raw cotton, petroleum, flaxseed and linseed, wool, spirits, unrefined sugar, and wine. On the other hand, there has been a falling off in flax, hemp, leather manufactures, saltpetre, raw silk, cocoa, coffee, tea, and tobacco. With regard to provisions, there has been an increase in every description. In the case of cereals there has been an increase in oats and peas, but a falling off in wheat, barley, and beans and wheat meal and flour. The annexed tables indicate the most important changes that have taken place:—

EXPORTS.

	1863.	1864.
Coals and culm tons	844,685	752,078
Cotton manufactures yards	192,638,643	138,900,414
Cotton yarn lbs.	8,246,636	4,101,892
Haberdashery and millinery value £	421,115	333,446
Linon manufactures yards	17,168,514	17,918,213
Linen yarn lbs.	4,107,406	3,113,712
Iron, pig tons	47,821	87,692
Ditto, railway "	33,586	26,157
Copper, unwrought cwt.	21,782	12,138
Ditto, sheets, nails, &c. "	56,367	56,326
Oil, seed gallons	552,915	792,346
Silk manufactures value £	105,913	118,982
Ditto, thrown lbs.	38,081	28,923
Spirits, British gallons	262,690	214,551
Woollen cloths, &c. yards	2,286,314	2,621,360
Woollen and worsted yarns cwt.	3,346,349	2,401,558

IMPORTS.

	1863.	1864.
Cocoa lbs.	560,168	353,723
Coffee "	12,987,676	9,502,169
Wheat cwt.	2,742,294	2,539,950
Wheat, meal, and flour "	457,045	252,676
Cotton, raw "	555,519	823,585
Flax "	170,064	75,350
Hemp "	130,399	120,846
Hides, tanned, &c. lbs.	407,523	595,181
Leather manufactures pairs	849,684	807,013
Butter cwt.	85,630	116,989
Cheese "	64,739	66,530
Flax-seed and linseed qrs.	185,797	147,993
Silk, raw lbs.	940,493	668,861
Silk, thrown "	4,317	87,381
Silk manufactures "	199,472	150,478
Spirits gallons	876,016	800,363
Sugar, unrefined cwt.	464,859	1,237,612
Tallow "	107,708	161,997
Tea lbs.	11,676,409	11,445,442
Tobacco "	9,421,118	6,993,689
Wine gallons	1,189,113	1,274,212
Wool lbs.	16,794,391	19,852,077
Woollen manufactures value £	163,385	137,902

Legal Miscellany.

IMPORTANT QUESTION WITH REGARD TO JOINT-STOCK COMPANIES.—JAMES V. THE ORIENTAL FINANCIAL CORPORATION.

THIS case was tried before Mr. Baron Martin, in the Court of Exchequer, on the 8th of December.

It was an action to recover money had and received by the defendants to the use of the plaintiff. The defendants pleaded never indebted.

Mr. Edward James, Q.C., and Mr. T. J. Clarke, were counsel for the plaintiff; and Mr. M. Smith, Q.C., and Mr. Robbins, for the defendants.

Mr. E. James said this was a case which he apprehended would resolve itself ultimately into a point of law for the determination of the judge rather than the jury. The action was brought to recover £100 under the following circumstances:—The Oriental Financial Corporation, Limited, was a company established last spring under the Companies Act of 1862. According to the first prospectus the capital was £1,000,000, in 20,000 shares of £50 each; the first issue of shares was to be 10,000, the deposit on application £1 per share, and £4 on allotment; the calls not to exceed £5, at intervals not less than three months. The object was to promote financial, commercial, and industrial enterprise in the East by the application of English capital. The prospectus also stated that the memorandum of the articles of association might be seen at the offices of the company, and that in the event of no allotment being made the deposits would be returned without deduction. The plaintiff, who was a solicitor, made an application to the directors for shares in the following form:—"Gentlemen, Having paid into the bankers the sum of £100 I request you will allot me 100 shares in the Oriental Financial Corporation, Limited, and I hereby agree to accept the same, or any less number that may be allotted to me, and pay the calls in respect of the shares so allotted when due; and I authorise you to place my name on the register of members for the number of shares allotted to me." The £100 was paid into the bank, and on the 14th of April last he received a letter from the secretary of the company in the following words:—"In reply to your application the directors have allotted to you sixty-five shares. The amount required upon this allotment is £325, and you have already paid £100, leaving £225 to be paid to the Mercantile and Exchange Bank, the bankers of the company, making £5 per share to be paid on or before the 23rd of April instant, or this allotment will be liable to be cancelled and the deposit forfeited." This was a condition which the plaintiff never contemplated. He never supposed that the money was to be forfeited on any given event, and therefore the defendants sought to impose upon him a term of which he knew nothing when he made the application for the shares. There could be no contract between two parties unless both agreed to its terms. The plaintiff, therefore, paid no attention to this communication. On the 4th of May he received a letter stating that the £225 still remained unpaid, and requesting the payment of it, with interest at the rate of 10 per cent. per annum from the 23rd of April. Of this communication the plaintiff also took no notice. On the 27th May the secretary again wrote, to the effect that if the money with interest was not paid by the 6th June the shares would be liable to be forfeited. The

plaintiff did not reply, and he received another letter, stating that if the money was not paid by the 30th June the shares would be forfeited, and that he would remain liable to all calls and accruing interest on the shares from the day of forfeiture. On the 5th July he was informed that, in pursuance of the resolution of the directors, the shares had been forfeited. On the 26th July the plaintiff wrote to the secretary stating that, as the allotment was cancelled, he had to request the directors to forward him a cheque for £100. On the 29th the secretary wrote that his proposition could not be entertained. The plaintiff replied on the 4th of August that he had made no proposal, but merely made a request for the £100 as the natural sequence of the act of the directors. The learned counsel submitted that under these circumstances there was no contract by which plaintiff agreed to the deposit being forfeited on any certain event, and that if the directors chose to cancel the allotment of shares there was no consideration, and the deposit became money received by the company to the use of the plaintiff. He added that he thought the best course would be to put in all the documents and leave the question, which he conceived to be one of law, to the court above.

Mr. Baron Martin said it struck him that the question was one for the jury, but if the parties agreed to refer the point to the court above he would have no objection to that course.

Mr. M. Smith said he preferred the case being left to the jury.

Mr. Baron Martin thought it was for the jury to say whether the plaintiff assented to the terms of the allotment letter, in which it was stated that if the money was not paid the shares might be cancelled and the deposit forfeited.

Mr. M. Smith then addressed the jury for the defence. He said that the Oriental Financial Corporation was a very respectable company, with a very respectable body of directors, and when started the plaintiff, like many other persons, applied for shares, in the hope, no doubt, that they would go to a premium. He received an allotment letter, in which he was informed that if the money due upon the shares was not paid the allotment was liable to be cancelled and the deposit forfeited. If he objected to those terms he ought to have done so at the time, but not having repudiated them they were binding upon him. Unless some agreement of that kind was made companies could not be formed, and shares could not go into the market. There could be no doubt that the plaintiff was waiting for the chances of the market, and that if the shares had gone up to a premium he would have paid the whole £325, sold the shares, and pocketed the premium. The shares, however, went to a discount, and then the plaintiff repudiated the allotment letter, and wanted to get back his money.

The secretary of the company, who was called, deposed that on the 14th April the shares were stationary in the market, and that on the 23rd they were at a trifling discount. They had never reached a premium since, but the discount had become greater.

Mr. Baron Martin, in summing up, said the verdict of the jury depended upon the letter of allotment, which told the plaintiff in very plain language that in the event of his not paying the £4 per share in addition to the £1 the allotment would be liable to be cancelled and the deposit forfeited. If he had written back immediately and said, "I know nothing of that term, and I won't agree to it; give me back my £100," he would have been perfectly right in doing so, because it was not a term contained

in his application. He, however, did not do so, and allowed all the time from the 14th of April to the 5th of July to elapse without making any objection. If the jury thought the truth of the matter was that the plaintiff meant to play fast and loose—to take the shares if they went to a premium, and to refuse them if they were at a discount, and that in reality he agreed to the terms of the allotment letter, they would find a verdict for the defendants; but if they thought he did not agree to those terms he had received no consideration for his £100, he was entitled to their verdict.

The jury, after a brief deliberation in the box, found a verdict for the defendants.

BANKERS AND CUSTOMERS—HOFFMAN V. THE AGRA AND MASTERMAN'S BANK.

THIS case came before Vice-Chancellor Stuart, in the Court of Chancery, on the 14th December.

Mr. Bacon, with whom was Mr. Malins and Mr. Dickinson, moved for an injunction to restrain the defendant, George Frederick Hoffmann, a merchant, at Liverpool, from further prosecuting an action at law to recover a sum of £4,105. 2s. 9d., and to recover damages for the injury claimed by the defendant for dishonouring his cheques. The case was this—The plaintiffs had a branch bank at Calcutta. The defendant was originally a partner in the house of Hoffmann and Co., of Calcutta. The plaintiffs having had a good many dealings with a Liverpool firm named Speltz, on being requested by Speltz, agreed to open a credit in favour of Hoffmann and Co., on certain terms, viz., that the credit should be divided into four letters of £25,000, each to be issued by Speltz, and enfaced by the plaintiffs. That there was to be a margin of 15 per cent. on actual cost price of produce, and that nothing should have occurred to affect materially the position of Messrs. Hoffmann and Co., or the said Speltz, during the currency of the credits, which should continue in force for six months, and be issued on such dates as the said Speltz might wish. These terms were agreed to, and the plaintiffs took and paid bills to a large amount drawn by Hoffmann and Co. on Speltz, and endorsed by him to the plaintiffs, who, however, held the same, and amounted in the whole to £71,224. 5s. The bill alleged that Speltz had stopped payment, and that the bills of lading held by the plaintiffs were insufficient to cover the liabilities. In May, 1864, the plaintiffs allowed the defendant to open an account with them, and discounted bills for him to the amount of £8,648. 15s. 6d., running on the 30th September, 1864. The bill alleged certain transactions between the plaintiffs and the defendant. The defendant, as he alleged, ceased to be a partner in the Calcutta firm, and set up business at Liverpool. The Calcutta firm of Hoffmann failed, and the plaintiffs, on September 30, 1864, resolved not to honour the defendant's cheques, having regard to the outstanding liabilities at the time. When the bank came to this resolution, the defendant's balance was £4,105. 2s. 9d., and it appeared from the evidence that the day previously the defendant had paid in to his account upwards of £1,000. It was stated in the plaintiffs' affidavit that some of the bills had been since dishonoured, and that there was due to the plaintiffs at the present time about £1,100. The ground on which the plaintiffs' equity was rested was that at law, the

bills being pending at the date of the action, the plaintiffs could not set off their claim.

Mr. Greene and Mr. Bristowe, for the defendant, contended that it was unprecedented for a banker, having money of a customer in his hands, to refuse to honour the customer's cheques simply because there were bills running. The plaintiffs had ruined the defendant, and he was entitled to have the damage he had sustained ascertained by a jury. They cited "*Rawson v. Samuel*."

Sir John Stuart—I do not think I can, as asked, dismiss this motion. This bill in equity states that an action was brought against the plaintiffs by a customer of their bank, in which he insists that he is entitled to recover a balance of money standing at their bank upon a banking account, and the plaintiffs also state that notwithstanding such balance, there is on the part of the defendant a much larger liability to the bank; and they insist that they (the present plaintiffs) ought to be allowed to hold this balance until the defendant has discharged his liability to the bank. That is a fair question to be tried in this court. What the defendant in equity insists upon is his right to go on with his action, and have the question tried at law. The plaintiffs in equity have filed their bill, impeaching altogether the legal right of the defendant at law, and stating the peculiar nature of the liabilities, and alleging that they have not been discharged, and according to that state of things the court is, I think, bound to grant the injunction which has been asked for. His Honour then considered that the case of "*Rawson v. Samuel*," which had been cited, had nothing to do with the case made for the defendant, and he also stated that the plaintiffs, in not filing their bill sooner, left no room for complaint on the part of the defendant, because in October the heavy liabilities of the defendant to the bank might be liquidated before the action could be tried. Some or one of the bills having been dishonoured, the plaintiffs had come to this court, and were entitled to an injunction. He could not avoid observing that he thought it was rather a sharp thing on the part of these bankers to take the money of their customer on the very day upon which they had made up their minds to stop the payment of his cheques. If it should hereafter be considered that the bankers were not justified in withholding payment of those cheques, then the amount of damages would have to be considered, but at this time it was quite impossible to say what those damages were.

Reports of Joint-Stock Banks.

SCINDE, PUNJAUB, AND DELHI BANK.

THE third half-yearly meeting of the proprietors in this bank was held on the 29th November, at the London Tavern; Mr. W. P. Andrew in the chair.

Mr. Craig, the manager, having read the advertisement convening the meeting, read the following report:—

"The bank has now branches in operation at Bombay, Kurrachee,

Lahore, Umritsur, and Calcutta, and is represented by agencies at Madras, Hong Kong, Ceylon, Sydney, and Alexandria. The Lahore and Umritsur branches were opened on the 6th April and 2nd May respectively; the Calcutta branch on the 18th July. The result of the operations of these branches cannot be brought into account before the 31st December next. The shares last issued at £2 per share premium were taken up and paid upon to the extent of 7,382 out of the 12,500 offered to the shareholders, and, according to advices by last mail from the Bombay branch, the 1,000 shares placed at the disposal of that branch had all been allotted to the public at £5 per share premium, which premium, together with a deposit of £2 per share, had been paid. The total amount realised by premiums, viz., £24,674. 1s. 6d., has been carried to the reserve fund. No returns have yet been received from the other branches as to the disposal of the shares appropriated to them. The accounts for the half-year ending 30th June last, as per annexed statement, which have been duly audited, show a gross profit of £26,613. 12s. including balance brought forward 1st January, 1864, after deducting interest on current and fixed deposits.

"From this sum £9,270. 9s. 4d. has been deducted for current expenses, and £12,433. 8s. 1d. for rebate on bills and commission on acceptances running, including a due provision for bad and doubtful debts, leaving a balance of £4,909. 14s. 7d. at the credit of profit and loss, which the directors propose to carry over to next half-year."

Balance-sheet made up to 30th June, 1864.

<i>Dr.</i>		<i>LIABILITIES.</i>	
Capital authorised 50,000 shares £20 each ...	... £1,000,000		
Issued 25,000 £5 per share paid up £125,000; issued 12,500 £2 per share paid up £25,000; second call £3 on 12,500 shares, of which paid £37,389; third call £2. 10s. on 37,500 shares, of which paid £93,350; fourth call £2. 10s. on 37,500 shares, of which paid £92,175 ...	... £372,914 0 0		
Current and fixed deposits, bills payable, and other liabilities	1,657,723 14 2		
Rebate and commission adjusting account:—For amount of rebate at 5 per cent. and commission reserved out of profits, to be carried to credit of next profit and loss account ...	10,502 10 0		
Reserve fund—For premiums realised on part of second issue of shares not taken up by shareholders (per last report)...	3,896 1 6		
Profit and loss for net profit ...	4,909 14 7		
		£2,049,946 0 3	
Bills discounted but not matured at 30th June £129,805 16 0			
<i>Cr.</i>			
Cash at bankers' and on hand ...	£80,075 13 10		
Bullion in India and <i>in transitu</i> ...	60,365 15 8		
Government securities ...	75,310 8 10		
Bills receivable, loans, and other assets (including £22,130. 10s. 5d. unadjusted balances between the branches) ...	1,813,474 3 9		
House property and office furniture ...	12,635 3 7		
Preliminary expenses ...	8,084 15 0		
Balance on 1st January, 1864 ...	£6,588 0 5		
Amounts added since ...	1,496 14 7		
	£8,084 15 0		
		£2,049,946 0 3	

*Profit and Loss Account for the half-year ended 30th June, 1864.**Dr.*

Interest on capital to 31st December, 1863, declared at last meeting	£5,054 16 0
Income-tax to 31st December, 1863	147 8 2
Rebate and commission adjusting account for rebate and commission on current bills and drafts	10,502 10 0
Reserve against bad debts	1,930 18 1
General charges of head office and branches	9,270 9 4
Balance being net profit	4,909 14 7
	<hr/>
	£31,815 16 2

Cr.

Balance of profit at 31st December, 1863	£5,480 7 10
Rebate and commission adjusting account at ditto	2,787 14 0
Gross profits at head office and branches after allowing for interest on fixed and current deposits	23,547 14 4
	<hr/>
	£31,815 16 2

The Chairman, in moving the adoption of the report, said there was no necessity under their charter for calling the shareholders together, but the directors had thought it better to do so, and lay the state of their affairs before them, particularly as it was not their intention to propose a dividend. The progress of the bank had been in most respects satisfactory. The subscribed capital had increased to upwards of £900,000, the paid-up capital to nearly £400,000, and the reserve fund to nearly £25,000. At the last meeting the shareholders amounted to 450, and they were now nearly double that number. Looking at the peculiar position of the bank, that was very encouraging. (Hear, hear.) But they might say, "Looking at your resources, why do you show us such very small profits, and pay us no dividend at all?" (Hear, hear.) He would very soon answer those questions. The capital at their disposal had been very small, and the greater portion of it had been *in transitu*, in going out of this country. It was never intended that the capital should be worked in this country, but that it should be used in stimulating commerce in India. The expenses there had been very great, and there had been at present no returns from a large portion of their outlay. They had established five branches in India, and only two of them were remunerative, and they were at Kurrachee and Bombay. It had been their policy to withhold their hands from business unless it was of a safe character. (Hear, hear.) It had been the aim of himself and his colleagues to encourage a safe and stable business, rather than do a speculative and dashing business (hear, hear), and as long as he was a director of that company he would set his face against any alteration of that policy. (Hear, hear.) They were aware that the financial position of Bombay was at present very much inflated with speculation, in consequence of which the board had sent instructions to their managers to hold their hands, and engage in no business except what was of a safe and profitable character. They might easily have declared a dividend if they had chosen to engage in rash speculations, but they had preferred pursuing a safe and cautious policy, which, he was convinced, would in the end result in the establishment of an institution which would prove not only of the

most stable but of the most profitable character. He considered that if they had anything to pride themselves on, it was their courage in withholding a dividend when it was inexpedient to declare one. If they had only patience to let the bank go on for a few years, they would reap the profits of the course they were now pursuing. He regretted that they had declared a dividend so early in their career as they had done, but still he did not see that they had any cause to regret it, for the money had been fairly earned. Since then circumstances had been very adverse, the rate of interest had been high, and business had consequently been curtailed. He felt, however, sure that from the connection of the bank with the railways in India, there would be a very large ultimate profit. They had been at great expense in establishing the branches in Upper India, but he was satisfied that they would prove very remunerative. They would have already seen by the public press an account of the magnificent durbar which was held by the Governor-General of India at Lahore, and they would observe that the next important duty that Sir John Lawrence discharged was the opening up of another section of the Punjaub Railway from Lahore to Moultan. In reference to the railways, he was happy to state that very large payments on their account would pass through the bank. In the first place, he might state that they were the bankers of the Punjaub Railway, which was now paying in to its credit £30,000 a month; and when the line was further opened that amount would be much greater. Then there was the Delhi Railway, the contract for which amounted to the gigantic sum of five millions; and he was happy to inform them that the financing of that great operation would be speedily confided to the bank. (Hear, hear.) Looking at the severe manner in which their accounts had been made out, and that the expenses of the establishment of the branches had been paid out of revenue and not charged to preliminary expenses, as, in his opinion, they ought to have been, he thought there was every prospect that their future operations would be very successful. If it had not been for the manner in which their accounts had been placed before them, and for a bad debt (the only one they had to complain of), they would have been in a position not only to have declared a dividend, but to have carried a considerable balance forward. Looking at the rebate account, he felt confident that the dividend was only suspended. Their abstinence on the present occasion would be highly favourable to the future prosperity of the company, for it would not only enable them to carry forward the rebate and commission, amounting to £10,000, but inasmuch as that all the branches would speedily become productive, he looked forward to their being able in May next to declare a dividend similar to what they did before. He had a large stake in the bank himself, and had the most complete confidence in its success. Other banks had received credit for declaring a dividend, but he thought that the directors deserved more credit for their abstinence in not declaring a dividend. In doing so they had consulted the interests of the shareholders, and at the same time increased the stability and prestige of the bank. (Hear, hear.) He moved the adoption of the report.

Mr. W. F. Russell, M.P., seconded the motion, and said he agreed with what the chairman had said, not only with regard to the report, but also with regard to the declaration of the dividend in May last. He thought they ought not to have declared it then; but having done so they could not do better than follow the policy that had been laid down by the chairman, and he believed that if that were done the bank would become a most flourishing institution.

A Shareholder asked whether they did not declare a dividend of 5 per cent in May last?

The Chairman said they did.

The same shareholder observed that they declared a dividend of 5 per cent in May, and immediately afterwards issued new shares at £2 premium. He thought they were not worth £2 premium. (Hear, hear.) He would like to know how many shares the directors took up. (Hear, hear.)

The Chairman said he took up the full complement of his shares, and his colleagues did the same, and they had kept them. (Hear, hear.) When those shares were issued at £2 premium they were quoted at £4 in the market. (Hear, hear.) With regard to the dividend, it was only recently that they had decided on not declaring one. Had he been asked a month ago he should have said that there would have been a dividend.

Mr. Hedgcock said he took a very different view from the hon. proprietor. He thought their prospects were very encouraging. Out of 12,500 shares 7,889 had been taken up by the shareholders. Was not that satisfactory? (Cries of "No, no.") The fact was, the report did not go far enough, for it might have stated that the capital paid up was £392,000, that the gross profits had been £26,600, less rebate and commission.

A Shareholder (indignantly)—Do not talk such stuff. If you take the balance brought forward from the previous half-year, it will reduce the profits to £21,000, and then take the current expenses and the rebate, and you will find that they amount to more than that; so that the business of the bank has been conducted at a loss.

Mr. Hedgcock continued—They could not blame the directors for having made no more profit out of a capital of only £190,000.

The indignant Shareholder—We do not blame the directors; we could not expect more. Look at the expenses of establishing the local branches.

Another Shareholder asked whether the last dividend was paid out of capital or profits.

The Chairman—Profits, of course. What a question to ask!

Mr. Conybeare said nobody could charge him with having come to a foregone conclusion. The report was unsatisfactory to them all; but still he had great faith in the concern. (Hear, hear.) No one could charge the directors with unfair dealing. (Loud cries of "No one is charging them with unfair dealing.") But this country had gone through a great crisis in the money market. (The speaker was here interrupted by loud cries of "Question, question.") He was next heard to say that he had the greatest confidence in the directors, and their conduct had confirmed his confidence in them and their sterling, steadfast honesty. (Hear, hear.) The chairman mentioned that they had had a loss by a bad debt: he should like to know the amount of it.

The Chairman said it was £1,900.

Mr. Conybeare said he was glad to see it was so small, and he should like to know which bank could show so small a loss. He had, therefore, great confidence in the directors, who had the honesty not to declare a dividend. It had been stated that the Bank of Hindustan had made a boast that they had the Oriental Bank Corporation at their back, which could do all their proper business in India for them, and that, therefore, this bank could not stand against them. He should like to have some information as to whether

there was any truth in such a statement. He then deprecated the shareholders acting unfairly to the directors, and expressed a hope that the next time he met them he should have the pleasure of congratulating them on the way they were making through the troubled waters.

The Chairman, in reply to a shareholder, said they expected great profit from the financing of the five millions from the Delhi Railway, and also from the business of the Punjaub Railway, which would be opened in January next. They had built a house at Kurrachee, and purchased a house at Lahore. The house in King William Street was not freehold, but they occupied the whole of it.

Mr. Henry said that the general expenses were very heavy. In December, 1863, they were 40 per cent. on the profits, and in June last they were 42 per cent., or equal to the working of a railway. It was very large, and he thought ought to be explained.

The Chairman said they included the expenses of the establishment of the branches, and those of the manager's, which ought properly to have been put to preliminary charges. The managing director had been out there to establish the branches, which at present were unproductive. They had had to pay the salaries and other expenses of officers sent from England from the day they sailed, and they ought to be put down to preliminary expenses; but the auditor thought they might be charged to revenue, and in deference to his opinion it was done so. He should like the shareholders to ask any questions they chose, for they would show that the position of the bank was in a better condition than it looked, although they were not required to give them a detailed statement of their affairs then, as that more properly belonged to the annual meeting.

Some confusion arose in consequence of two shareholders rising to speak at the same time, and the one the chairman decided against refusing to sit down.

Mr. Edward King at last obtained a hearing, and reminded the meeting that that conduct was not banking. (Hear, hear.) He was not an old man, but he was old enough to have been in a bank which did not declare a dividend at first, but was now worth £300 per cent. premium. (Hear, hear.) He approved of the conduct of the directors, and was convinced that no good ever came of patching up a bad concern with dividends. (Hear, hear.)

Mr. Henry wanted an answer to his question. How was it that so large a sum as £7,000 could come into general expenses, in addition to £8,000 preliminary expenses. He also wanted to know if there were £20,000 of calls in arrear.

The Chairman said that with regard to the first question he had answered it, and as to the last, there were no arrears of calls—they had all been paid up.

Mr. Innes said that the chairman had taken credit for charges being put down to current revenue instead of to preliminary expenses. It appeared to him that the accounts should be presented in a correct manner, and that which belongs to preliminary expenses ought to be placed to its proper charge, and prospectively he should like to see all items charged under their proper heads, and then mercantile men would be able to judge of the condition of the bank, otherwise they never would be able to do so.

The Chairman said—With regard to keeping their accounts, they had placed them in the hands of the very efficient firm of Coleman, Turquand,

Youngs and Co. It was an advantage to have men independent of the bank, and of the known public character that they were, keeping their accounts. If they had been made out severely it was very much in deference to their views. They would have been made out more favourably if it had not been for the intervention of those gentlemen. Nevertheless he approved of their intervention.

Mr. Minton objected to preliminary expenses being increased after they had commenced business.

The Chairman said—If they were to go on putting down the expense of establishing branches to revenue they would not have a dividend for years to come. By the last mail they heard that the 1,000 shares sent to Bombay had been disposed of. They had no information with regard to the shares sent to the other branches.

A shareholder asked whether it was contemplated to make any call on the shares upon which they had paid £2 premium.

The Chairman said it was not intended at present.

Colonel Wood asked whether, at the next meeting, the dividend would be declared for the whole year?

The Chairman hoped it would be for the year.

Colonel Wood said that was satisfactory.

A cordial vote of thanks to the chairman closed the proceedings.

MAURITIUS LAND CREDIT COMPANY, LIMITED.

The first ordinary general meeting of the shareholders was held on the 30th November, Major-General Burn in the chair, at the company's offices, 25, Fenchurch Street, for the usual business of an ordinary general meeting, and for the purpose of altering the month prescribed by the articles of association for the holding of the annual ordinary general meeting, and for the purpose of passing a special resolution to add to the 6th paragraph of section 79 of the articles of association the words, "but they shall not invest any money of the company in the purchase of shares of the company."

The Chairman, in moving the adoption of the report, which we have already published, observed that the reasons why the business in the Mauritius did not commence before July was that the new mortgage ordinance was not in force till the 1st of that month, and that other companies having started on the same principle as that one, the planters waited to see what terms would be offered by each company. Matters were, however, proceeding satisfactorily. A great many applications for loans were now under consideration, and as soon as the company was in a position to place a further amount of debentures the profits would be greatly increased. Each £100,000 of additional debentures placed would yield a profit of 12 per cent. in addition to the profits already made; and thus the directors would be enabled to declare a satisfactory dividend, and to add to the reserve fund.

The report having been adopted, and some routine business having been disposed of, the meeting was made special, when the following resolution, moved by the Chairman, and seconded by Mr. James Du Buisson, was passed:—"That the ordinary general meeting of the company be henceforth held in the month of August or September at the option of the directors, and that the following words be added to the 6th paragraph of section 79 of the articles of association, 'but they shall not invest any money of the company in the purchase of shares of the company.'"

NATIONAL FINANCIAL COMPANY.

THE ordinary meeting of the shareholders of this company was held on the 30th November, at the London Tavern; Mr. M. C. Seton in the chair.

The following report was read :—

“The directors have much pleasure in meeting the shareholders at this, the first ordinary meeting, and submitting a statement of accounts for the half-year ending the 15th of the present month. By the constitution of the company the directors are called upon to convene a meeting within twelve months after commencement of the business; but having regard to the satisfactory progress of the company, and the present position of mercantile and monetary affairs, the directors have considered it advisable, in the interests of the shareholders, to hold the meeting fifteen days after the date up to which the accounts are made up, this being the earliest period practicable. From the accompanying balance-sheet, which has been duly audited and certified by the public accountants and auditor appointed under the articles of association, it will be seen that the profits amount to £57,578. 0s. 5d. The directors recommend a dividend at the rate of 20 per cent. per annum, together with a bonus of £1 per share, the bonus to be added to the paid-up capital, making in all £6 per share paid up; this will be equivalent to a payment of 60 per cent. per annum upon the paid-up capital, the dividend being in future payable upon £6 per share. After setting aside £21,000 to a suspense account for profits not yet realised, writing off the whole of the preliminary expenses, and providing for the commission payable to the management, there will remain a balance of £12,746. 0s. 4d. to be carried forward to next profit and loss account. These profits might have been considerably augmented, but the directors have declined numerous important transactions, for while these offered large profits they required the company's acceptances to be given for amounts for which the present paid-up capital was wholly inadequate, and which might have necessitated making calls; and, although ample security might have been taken in each case, the directors preferred confining the operations of the company within the limits of the amount at present paid up. Having in view the extension of the company's operations, and the advantage of a large subscribed capital, the directors have resolved to issue 5,000 new shares, with the same amount paid, viz., £6 per share. These shares, in the first instance, will be offered to the shareholders on the register on the 21st December next, in the proportion of one share for every two then held. Financial companies, until recently, were unknown in this country, and, like joint-stock banks, will require time before the public will fully appreciate their capabilities and the great facilities they render to industrial and other enterprises. But it may not be without interest to the proprietors for the directors to remind them of the many millions of capital which have, through the agencies of such companies, been lately diverted into profitable channels, and the large dividends which have consequently accrued. Whilst the directors see no reason to doubt the future profitable working of this company they desire to impress upon their shareholders the advantages and security of having an ample reserve fund, and at the same time that the profits of a company like the National

Financial must be materially influenced by the general welfare and prosperity of the country."

The Chairman—It gives us much pleasure to meet you at the earliest opportunity since the organisation of the company. You have the report of the result of the six months' operations, and I trust that it is satisfactory to you. (Hear, hear.) I have heard only one objection to it, viz., that we have made too large profits; but it is probable this will not appear a very serious objection to you, when you consider that we have made them without incurring any risk, without making ourselves liable for anything, or giving a single acceptance—(hear, hear)—and without having lost one farthing. (Cheers.) We have made these large profits legitimately, by fostering commercial enterprises which, if properly managed, will be, we believe, profitable to the shareholders who have entered into them, and advantageous to society at large, for they are all of them sound commercial enterprises. I beg to move the adoption of the report.

Admiral Burney (director) seconded the motion, and congratulated the meeting on the splendid balance-sheet the directors had been enabled to lay before them. The result was most gratifying, because if they had not succeeded they would doubtless have had lots of blame, and now that they had he doubted whether they would receive very much praise. The business by which they had obtained these large profits was legitimate in all respects, involving no risks whatever, despite the slur of the leading journal, as it was called, but which from the manner in which it prostituted its influence to serve its own purposes, was a disgrace to the country, and would receive, he was sure, at the hands of that meeting the condemnation which it deserved. (Cheers.)

Captain Gossett felt that the thanks of the shareholders were due to the directors for what they had accomplished, but objected to the proposal of issuing new shares while only £6 each was called up on the existing £50 shares. He considered that one-fifth of the nominal capital should be paid up, that was £10 on each share, before they increased their capital by a new issue. He held 100 shares, but would not add to the number by taking up his quota of the proposed new shares, if issued.

Mr. Swann expressed his concurrence in the views of the last speaker, which, he said, were shared in by a very large proportion of the proprietors. Shareholders objected to increase their liability to future calls by taking up new shares, besides which the multiplication of shares depreciated their value in the market. He observed there was no charge in the accounts for directors' remuneration. The articles, he believed, provided that the shareholders should fix that remuneration in general meeting; and considering that it should be proportionate to the profits made, he thought it should be fixed from time to time, and given in the way of a bonus. He proposed, in consideration of the handsome dividend, that £1,000 should be voted to the directors on the present occasion for their past services. In regard to the profits, he of course did not object to receive 60 per cent. on his capital, but he was most anxious that the directors should avoid all risks in their endeavours to obtain such results. For himself he would rather have a safe 10, 15, or 20 per cent. than 60 per cent. if it were earned by risking their capital. (Cheers.)

Mr. J. T. King urged that the directors should explain the reasons why they proposed to issue new shares in preference to making a call. He could understand that it might be important to increase the proprietary.

A Shareholder thought it might be wise to increase the number of the shares, so as to place the company on an equality with competing financial institutions.

A Shareholder could not see that the shares would be at all depreciated by increasing their number—of course within reasonable limits, and he believed that many shareholders would prefer taking up new shares to paying a call. He could not understand on what grounds the writer in the "*Times*" said that they could not have made such large profits without accepting bills, and he was glad to see the letter of the secretary, published in the papers, declaring authoritatively that the company had never accepted a bill. [The Chairman—it is quite true, sir.] As a merchant he thought that 200 per cent. per annum profit was something so gigantic as to be almost beyond belief; but they had heard that it had been earned in bringing out new commercial companies, and that was a very different thing from the ordinary trade of a merchant.

The Chairman, in reply, remarked that if the board had made a call without the knowledge or consent of the proprietors, it would have been necessarily compulsory on them all, although it might not have been convenient or agreeable to all; but when a fresh issue of shares was made, it was voluntary on the part of the proprietors whether they took them up or not. (Hear.) The board, however, considered this entirely a shareholders' question, and would be bound by the opinion of the meeting. With regard to the necessity for increasing the capital, the directors saw prospects before them, if they had more capital, of using it advantageously. He did not mean to say that the profit would be as great as that reported to-day; for 200 per cent. perennially was something like Aladdin's lamp, and could not be expected. But there were other projects on the tapis which this company might be called upon to assist in bringing out, and if commercial enterprise went on at the same rate that it had done of late, the directors saw their way to the possibility of employing further capital at great profit and without risk, as they had employed the capital which had already been entrusted to their management. (Hear, hear.) He thought there was some force in the objection that there was more risk in having £50 shares with only £6 called up than in having a larger sum called up and less liability remaining; but that might be met by reducing the nominal amount of the shares and doubling their number. The board would, however, take the question into consideration as to the advisability of making a call instead of issuing new shares. As he had already stated, they had made the profit realised during the past six months without any risk of capital.

A Shareholder, who said he had every confidence in the directors, thought it better to take their recommendation as to the mode of raising the additional capital. (Cheers.)

The motion adopting the report was then put and carried unanimously.

Mr. Swann moved that £1,000 be voted for the directors' remuneration.

Mr. King suggested that the remuneration should not be less than was authorised by the deed, viz., at the rate of £3,000; that was £1,500 for the half-year, and he would even go so far as to propose a bonus in addition. He moved that the remuneration be, for the past six months, at the rate of £3,000 a year.

Mr. Barker seconded this.

Captain Gossett asked how many directors there were. He observed that the deed of settlement provided that there should be an executive committee, who might be paid 25 per cent. upon the profits after the shareholders had divided 5 per cent.

Another Shareholder believed that the remuneration of the executive committee was a matter apart from that of the remuneration of the directors as a body.

The Chairman replied that there were ten directors. The question of the remuneration of the directors was one entirely for the shareholders, and he would rather not say a word upon it.

Captain Gosset moved as an amendment that the remuneration be at the rate of £2,100 a year.

Admiral Burney would, if there was the least division of opinion, prefer the lower sum.

In accordance with what appeared to be the general wish of the meeting, Captain Gosset ultimately withdrew his amendment, and the original motion was put and carried *nem. con.*

The Chairman expressed his thanks, and stated that by the deed of association two of the directors retired at that meeting, but were eligible for re-election. The board, however, thought it better, as they had not been elected by the shareholders in the first instance, to place their resignation in the hands of the present meeting, to deal with it as they might think fit. If they were re-elected they would do their best to serve them as they had done.

Mr. Swann thought 200 per cent. was too good a thing to allow them to think of changing their directors (cheers and laughter) and he proposed that the present directors be re-elected, viz., Mr. M. C. Seton, Admiral Burney, Major Gowley, and Messrs. Pappa, Spicer, Kisby, M'Marster, and E. Clench. This was agreed to unanimously; the auditors were likewise re-elected, and 50 guineas awarded to them for their services.

A vote of thanks to the chairman and directors, and a similar compliment to the managing director, the secretary, and other officers, concluded the business.

LONDON AND SOUTH AFRICAN BANK.

A GENERAL meeting of the shareholders in this bank was held at the London Tavern, on the 30th November, to receive a statement of accounts, and for other business; Colonel Jas. Holland, deputy-chairman of the bank, in the chair.

The advertisement convening the meeting and the minutes of the last meeting having been read by the manager,

The Chairman said that before beginning the business of the day, he must mention that their esteemed chairman was unable to occupy his post on the present occasion, in consequence of domestic bereavement, and he was sure that he would meet with the sympathy of all present. (Hear, hear.) There was not much to present to the shareholders in the way of accounts; in fact nothing but what had already been laid before the meeting. As the shareholders were aware, it had not been their custom hitherto to hold half-yearly meetings, but some months ago there was considerable agitation in regard to this bank, induced by certain rumours, which he was happy to say were quite unfounded—(hear, hear)—and a desire was expressed that their meetings should be held half-yearly. Unfortunately, however, they were so hampered by their deed, that they were obliged to give four months' notice for holding a general meeting, and that was the

reason why there had been such a delay before holding the present one. The circular which had been sent out alluded to a notice which had been given that it was the desire of several of the shareholders to bring forward a resolution, and to discuss the propriety of removing Mr. Symons from his office of auditor of this company. He (the chairman) had now to inform the shareholders that Mr. Symons had already sent in an unconditional resignation. The first business they had to do was to confirm the minutes of the last meeting. (This having been done, the chairman continued.) Before making any remarks upon the business of the meeting, he wished to mention two incidents to the shareholders, namely, the resignation of one of the board, Mr. Macmaster, and also that of Mr. Etheridge, their manager. That gentleman had served them zealously and faithfully for three years; his talents were well known, and his high sense of honour was manifested in the fact, that when he was offered the position of manager at another bank, with a salary double that he received from the board, before thinking of accepting it, he went to the directors and placed himself entirely in their hands, saying, "Gentlemen, if you think I ought not to accept this offer, I will not do so." (Cheers.) The board thought that they could not stand in his light, and accordingly they offered no obstacle in the way of his advancement—(hear, hear)—and appointed in his place Mr. James, who had been their accountant at Cape Town for some time, a gentleman who bore a high character, and who, he was happy to say, was doing his best to maintain the high character which he had previously enjoyed. With regard to the accounts generally, he had really little to add beyond what was said by his predecessor at the last meeting. The actual sum they divided was a trifle below what they had done previously, and he had some hopes—although he did not like to commit himself to any specific promise where so much depended upon the state of mercantile affairs at the Cape—that they would be able to make it good at the end of the year. (Cheers.) One of the most significant signs by which they might judge of the prosperity of a new bank was the condition of the item "deposit accounts;" and he would read the figures of the deposit account as it stood for the last two years, and as it now stood. In June, 1863, the amount of the deposit account was £228,000; in December of the same year, £250,000; in June, 1864, it was £305,000; and it now stood at £360,000. (Cheers.) He thought that that must be considered a very satisfactory result—(hear)—because South Africa was not a country like India, where any very rapid development of such institutions took place. It was a steady and rather slow-going country, and the bank itself was a steady hard-working institution, making no attempt at dash, but endeavouring to avoid bad business and bad bills, and he believed that by so doing they would ultimately become a very prosperous concern. There was one item in their accounts which he might call their attention to, because it indicated that amendment was wanted in one portion of their charter. He alluded to their note circulation, which was not what it ought to be. Here again their charter hampered them, because having eight or ten branches at the Cape every note issued at any of the branches was made payable on demand at each of the other nine or ten branches, in consequence of which they were compelled to keep at each branch sufficient money to meet the liability of the whole of the branches, and that was a position in which their rival bank, which was started under limited liability, was not placed. The attention of the board had been directed to that point, and they

proposed to apply for an alteration in the charter, with the intention of making notes payable only at the branches at which they were issued, the grounds on which they were about to make the application being so just and reasonable that there was no reason to suppose that any objection could be offered to it. He could only add that he should be happy to answer any questions or give any information that the shareholders might desire.

A Shareholder inquired whether it was the intention of the directors to follow the valuable precedent they had set, and to call the shareholders together half-yearly instead of annually.

The Chairman said that they were in a difficulty in having to give four months' notice. It was a very expensive process to get the charter altered, and they were anxious to avoid incurring more legal charges than were absolutely necessary. He should be glad to know whether it was the general wish of the shareholders to hold a meeting half-yearly. (Such a wish having been generally expressed by the meeting, he continued.) In that case he thought there was a way of getting over the difficulty without going to the government for an alteration of the deed, and he gave notice that they would hold another meeting next November, thus giving twelve months' instead of four months' notice. That notice could be repeated, so that in effect their meetings in future would be half-yearly. He had nothing more to do except to thank them in the name of the board for their attendance that day.

A Shareholder stated that on the last occasion of their meeting he found fault with the slow progress of the directors; he designated them the slow coach, and thought that it was necessary to throw a little more energy into the business. Although he had great faith in the directorship, he had come there to propose certain resolutions in reference to a reformation in the mode of conducting their business; but from a consultation with several gentlemen it was apparent to him that his resolutions would not meet with the accord of the meeting, and he should not therefore propose them. (Cheers.) He complained, however, that the scale of remuneration for the directors was too high.

The Chairman explained that the board had never hitherto taken the full rate of remuneration of £3,000 unless there was an £8 per cent. dividend, and should not do so if the dividend did not reach that amount in the present year. (Cheers.)

Mr. Nunn stated that he had received information that one of the directors had overdue bills at the bank, and inquired whether any loss had been sustained from bills of that character?

The Chairman pointed out that the report of the auditors stated that they had examined the balance-sheet and annexed profit and loss account, with the books, vouchers, and securities at the head office in London, and with the detailed returns and balance-sheet, and that they certified as to their correctness and satisfactory character. With respect to overdue bills, it was true they had bills of that character to the amount of £800 held by one of the directors, but whether that was an exaggerated or extraordinary amount they were able to judge—("No, no," and cheers)—particularly when they had ample security for the full amount. He might also say that the director in question had resigned.

A Shareholder inquired if an *ad interim* dividend which might be declared, could be declared by the shareholders; or if not, whether it ought not be delayed till the annual meeting?

The Chairman replied he was afraid that they could not do that; and, moreover, the board were of opinion that as soon as they had the accounts quite clear, and they found that they could declare a dividend, it was more satisfactory to the bulk of the shareholders that the dividend should be declared and paid as soon as possible. (Cheers.)

In reply to a further question,

The Chairman explained that the directors only declared the *ad interim* dividend; the shareholders themselves declared the dividend at the annual meeting.

A Shareholder inquired whether there was any probability of a further call being made.

The Chairman—None whatever. In fact, as the whole of the capital had been paid up, the only mode of increasing the capital would be by a new issue of shares, which would only be done after very considerable deliberation and with ample notice. There was no intention of doing anything of the kind at present. He also stated, in reply to a question from a shareholder, that it was not the intention of the directors to fill up the vacancy occasioned in the board by the resignation of Mr. McMaster; that they considered the board quite large enough, and that they proposed not to fill up vacancies that might arise until it was reduced to its legal minimum of eight or ten. (Cheers.)

On the proposition of the Rev. R. C. Gazeley, seconded by Mr. H. Leatherdale, a cordial vote of thanks was given to the chairman and the board of directors for their able management of the bank, and the proceedings terminated.

HIBERNIAN BANK.

THE annual general meeting of the shareholders in this bank was held on the 5th December, at the bank, Castle street, Dublin; John Rafferty, Esq., governor, in the chair.

The following statement of accounts and report were submitted to the meeting:—

Abstract of the Affairs of the Company, to 31st October.

<i>Dr.</i>									
Paid-up capital	...	...	...	...	...	...	...	£250,000	0 0
Amount due on current and other accounts and deposit receipts	...	...	...	...	...	...	...	593,268	9 4
Balance	...	...	...	...	...	...	...	98,126	17 7
								£941,395	6 11
<i>Cr.</i>									
Bills discounted	...	...	...	...	...	...	...	£548,820	10 1
Loans on government stock and other securities	...	...	...	...	...	...	...	201,228	4 6
Branches and agencies	...	...	...	...	...	...	...	52,733	13 7
Bank premises	...	...	...	...	...	...	...	8,654	14 6
Cash and government stock and debentures	..	...	...	...	...	...	...	129,958	4 1
								£941,395	6 11

PROFIT AND LOSS.

Dividend, June, 1864	...	...	...	...	...	£8,750	0	0
Do. December	...	...	...	...	...	12,500	0	0
Bad and doubtful debt fund	...	...	...	...	...	5,000	0	0
Reserve fund	...	...	...	...	...	79,283	1	11
Balance carried to next account	...	...	...	...	...	1,343	15	8
							<u>£108,876</u>	<u>17 7</u>

Balance 31st Oct., 1863, £88,033. 1s. 11d.; less dividend paid	...	...	...	...	...	£79,283	1	11
Dec., 1863, £8,750	...	...	...	...	...	27,593	15	8
Net profit for year ending 31st Oct., 1864		<u>£106,876</u>	<u>17 7</u>

RESERVE FUND.

Present amount	£79,283	1	11
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"Your board submit the foregoing statement of the accounts for the past year, and feel satisfaction in referring to the result, which, although in some degree attributable to the enhanced value of money, is an evidence that your bank has maintained its high position, notwithstanding the very active and increasing competition in banking in this country. The accounts now presented show a net profit on the year's transactions of £27,593. 15s. 8d., out of which a dividend of 3½ per cent. for the half-year ended 1st May last has been paid, leaving a sum of £18,843. 15s. 8d. which the directors recommend to be disposed of in the following manner, viz., £12,400 in the payment of a dividend at the rate of 10 per cent. per annum (free of income tax) for the half-year ended 1st November last, £5,000 to be set aside as a provision for bad and doubtful debts, and the balance, £1,343. 15s. 8d., to be carried forward. Your board, anxious to avail themselves of every favourable opportunity of forwarding your interests, and extending your sphere of usefulness, have, since the last meeting, at the instance of gentlemen of position and local influence, established branches in Kilkenny and Tullamore, and in a few days another will be opened in the flourishing assize town of Naas, which up to this has not had the advantage of any banking establishment, from all of which your directors are justified in expecting very profitable results. In making this announcement, the directors take occasion to observe that, in order to maintain the efficiency, to promote the prosperity, and to preserve the confidence so long enjoyed by this useful company, no effort on their part has been wanting, and they rely with confidence on your co-operation to assist, as well in increasing the income as in promoting the general prosperity of this purely Irish establishment, an establishment founded on capital realised by Irish industry, and affording banking accommodation in Ireland to its traders and merchants. To the vacancies on the directory, caused by the resignation of Mr. William O'Brien Butler and Alderman Moylan, your board recommend for election, on Thursday, the 15th instant, Mr. P. Byrne Darcey and Mr. James F. Lombard, gentlemen well calculated, from their high mercantile position and commercial habits, to advance the business and promote the interests of your company."

The report having been read, the following resolutions were proposed:—

Moved by the chairman, seconded by Alderman Campbell, and resolved: that the report now read be received, adopted, and entered on the minutes.

Moved by the chairman, seconded by Alderman Campbell, and resolved: that a dividend for the half-year ended 1st November last, be paid, at the rate of 10 per cent. per annum (free of income tax) on the paid-up capital of the company.

Moved by the chairman, seconded by Thomas Dillon, Esq., and resolved: that the books for transfer be closed from this day until the 12th inst., and that the dividend be payable on and after said day to all holders of the company's stock on this day.

Moved by Alexander Comyns, Esq., seconded by Edward Nolan, Esq., and resolved: that the marked thanks of the meeting are due and hereby given to the board of management, the secretary, and assistant secretary of the bank, for their exertions in promoting the interests of the establishment.

Moved by Alexander Comyns, Esq., seconded by Alderman Tarpey, and resolved: that the thanks of the meeting be given to John Rafferty, Esq., for his proper and dignified conduct in the chair.

NEW ZEALAND BANKING CORPORATION.

THE second half-yearly meeting was held, on the 6th December, at the offices of the company, in New Broad Street; Mr. S. J. Russell presided, in the unavoidable absence of Mr. Hankey, the chairman, and the Lord Mayor, the deputy-chairman.

The following report was taken as read:—

“The directors have much pleasure in submitting to the shareholders the audited accounts of the bank up to the 15th November last. The net sum available for division, inclusive of amount received on premiums, as appears by the profit and loss account, amounts to £7,287. 9s. 6d.; this the directors propose to appropriate as follows:—To payment of a dividend at the rate of 10 per cent. per annum for the preceding six months ending 15th October last, £2,042. 17s. 10d.; to write off preliminary expenses, £529. 17s. (£500 being the amount required to be annually written off, pursuant to the articles of association); to reserve fund, £4,000; carried forward to next account, including rebate of bills, £714. 14s. 8d. In their last report the directors referred to negotiations then pending with a land mortgage company, who proposed to invest a considerable sum on mortgage through the agency of the bank. They have now the pleasure to announce that the arrangement has been carried into effect upon satisfactory terms. The directors also referred to a proposal to form a local board in Dunedin, which was still under consideration at the time of the despatch of the last mail. During the past six months some heavy colonial failures have occurred, but the bank has not been affected in any way, the directors having been anxious rather to confine than extend their operations. In pursuance of the articles of association, the following directors retire in rotation, and being eligible, offer themselves for re-election accordingly—viz., the Right Honourable the Lord Mayor; Henry Alers Hankey, Esq.; and Benjamin Hardwick, Esq.”

Balance-sheet, 15th November, 1864.

<i>Dr.</i>		
Capital—60,000 shares at £10, £600,000. Paid up, £1 on 40,000 shares, first issue, £40,000; paid up, £1 on 20,000 shares, second issue, £15,490; calls paid in advance, £11,650—£57,140; less calls not due till the 15th December, 1864, £3,191. 5s....		£52,948 15 0
Amount due by the bank for customers' balances, deposit and other accounts, acceptances, letters of credit and other liabilities		171,536 1 11
Bank premises redemption fund, Dunedin		125 0 0
Profit and loss—Balance, 15th April, 1864 £591. 8s. 1d.; premiums on shares, £3,872. 10s.; gross profit to date, as per Profit and Loss Account, £5,760. 1s. 1d.		10,133 19 2
		<u>£242,743 16 1</u>
<i>Cr.</i>		
Cash on hand and at call at head office and Dunedin branch		£34,954 4 10
Bills receivable, bills discounted, loans to customers and other securities		194,449 7 10
Bank premises, furniture, fixtures, &c., Dunedin, and head office		5,463 16 9
Preliminary expenses—London £3,000; New Zealand £2,029. 17s.		5,029 17 0
Current expenses, including salaries, directors' and auditors' fees, rent, stationery, and miscellaneous expenses, at head office and Dunedin		2,846 9 8
		<u>£242,743 16 1</u>

Profit and Loss Account, from 15th April to 15th November, 1864.

<i>Dr.</i>		
Current expenses, &c., as above		£2,846 9 8
Balance down		7,287 9 6
		<u>£10,133 19 2</u>
<i>Cr.</i>		
Balance from last account, 15th April, 1864		£591 8 1
Premiums on shares		3,872 10 0
Gross profit, including discount, rebate, commission, interest, &c.		5,670 1 1
		<u>£10,133 19 2</u>
Balance brought down		<u>£7,287 9 6</u>

The Chairman trusted that the meeting would consider the present report as satisfactory as the last. The balance-sheet told its own story. In the amount of profit shown there were six weeks of the Dunedin branch not included, but which would be carried to the profits of the current half-year. They had from the proceeds of the past half-year been enabled to set aside £4,000 to the formation of a reserve fund. They proposed also to pay a dividend at the rate of 10 per cent. per annum, amounting to £2,042, leaving a balance of £714 in hand. This was a result which he

thought should be gratifying to the shareholders. He was happy to say that during the recent commercial crisis they had made no bad debts, having been very careful to place their money out only in such a way as was safe as well as beneficial to the company. Under these circumstances, he thought the meeting would give credit to the directors for having done their duty. Since the last meeting was held Mr. Hardwick had resigned his office of solicitor to the company, and Mr. Kimber had been appointed in his place. Considering the large stake that Mr. Hardwick had in the bank, the deep interest he took in it—for it might almost be said to be a child of his own—the directors felt that it would be for the general benefit if they could secure that gentleman's services and influence as a member of the board. They had consequently added his name to the direction. He would retire at the present meeting by rotation, and he had no doubt that the shareholders, confirming the view of the directors, would re-elect him. (Hear, hear.) He moved in conclusion the adoption of the report.

In reply to a question from a shareholder, and in seconding the report, Mr. Hardwick said that the directors were fully impressed with the necessity of having an efficient local board and an efficient local audit in New Zealand, and arrangements were in progress for that purpose. The formation of an efficient local board was a matter of some difficulty, as those who represented the bank as directors in the colony must be men of position, who would bring influence and business to the concern, and at the same time men who would not make use of their power as directors for their own private ends. (Hear, hear.) The board had sent out to Mr. M'Kenzie, their manager, letters of introduction to an eminent firm in Dunedin with a view of inducing them to join the bank. He was not at liberty at present to mention the name of the firm, but when the negotiations were so far advanced that it could be stated it would of itself be a sufficient guarantee for the respectability and influence of the parties. In regard to the question of a local audit, although the board had every confidence in their manager, Mr. M'Kenzie, they were quite prepared to admit that all were better for looking after—even directors—(hear, hear)—and they had accordingly sent out instructions requiring that the next balance-sheet should, besides being confirmed by himself and his accountant, be submitted to and regularly audited by a professional accountant in the colony. (Cheers.) He was sorry he could not at present report that they had elected directors for the colony, but they must bear in mind that the course of posts between New Zealand and London took a considerable time.

In reply to a further question Mr. Hardwick added that the qualification was the same for the New Zealand as for the London directors.

The motion adopting the report was then put and carried unanimously.

The dividend at the rate of ten per cent. per annum free of income tax was then declared, payable on the 8th inst.

On the motion for re-electing the retiring directors, viz., Mr. Hankey, the Lord Mayor, and Mr. Hardwick, some question arose as to the power of the meeting to increase the number of the board by confirming the election of Mr. Hardwick; but on its being explained by the solicitor on reference to the deed of settlement that the maximum number was ten, whereas Mr. Hardwick would make only the sixth, the resolution was carried *nem. con.*

Twenty guineas each were awarded to the auditors for their services.

A Shareholder considered the remuneration provided by the deed of

attainment, viz., £1,000 a year and 10 per cent. upon all profits divided over six per cent. per annum, too large.

Mr. Hardwick said that the directors had not acted up to the clause referred to in the articles of association. They had not even taken the £1,000, but for the whole eighteen months during which the bank had been in existence they had only taken £800.

A vote of thanks to the chairman and directors concluded the proceedings.

BANK OF BRITISH NORTH AMERICA.

A GENERAL meeting of the proprietors of this bank was held on the 6th of December, at their banking-house, 7, St. Helen's-place, Bishopsgate-street; R. Carter, Esq., in the chair.

The following report was taken as read :—

“ Since the last half-yearly report was issued the severe and prolonged stringency in the money market of Europe has exercised a paramount influence in the banking and commercial world, the direct effect of which upon that portion of the bank's capital which has been employed in London has been favourable; but it has at the same time injuriously affected the commercial and trading classes in the colonies. The aim of your directors in managing the affairs of the bank at its branches has been to extend to their regular customers all the accommodation that could be afforded with a due regard to the interests of the corporation. The difficulty of successfully combining these objects is much increased by the legal restrictions imposed upon banking by the local legislatures. The shareholders are aware that the banks are not allowed to charge more than 7 per cent. interest in Canada, nor more than 6 per cent. in Nova Scotia and New Brunswick, while the minimum rate of the Bank of England has fluctuated between 6 and 9 per cent. during the last six months, and in British Columbia and California rates of 12 per cent. and upwards are generally current. It is to be hoped that a system so artificial, which must necessarily divert capital from the Eastern colonies, will engage the attention of colonial statesmen, and lead ultimately to such amendments in the laws as will leave the price of money, like that of other commodities, to the unrestrained action of supply and demand. The business of the bank at Victoria, Vancouver Island, has steadily increased; an office for melting and assaying gold has been established in the bank premises, to which a duly qualified assayer has been appointed, and no effort has been wanting on the part of your directors to meet the requirements of this prosperous colony. As contemplated in the last report, an agency has been established at San Francisco, in California, and your directors feel warranted in now stating that its prospects are very encouraging. The management of this agency has been entrusted to two experienced officers long in the service of the bank, and their endeavours, combined with the established character of this bank, have already obtained a fair measure of support from the mercantile community in that city. The returns from all the branches during the current year exhibit a satisfactory increase of profit; and your directors are amply justified in declaring the customary dividend of 3 per cent. for the half-year, free of income tax, which will be payable on the 5th January next. As already notified by circular, the present and future dividends will be

sent by post to the address of each proprietor, or be paid to his banker or agent, as he may prefer, thus dispensing with the necessity for personal attendance at the bank for receipt of dividends. A vacancy having occurred in the direction by the retirement of Oliver Farrer, Esq., a new director will be elected at an extraordinary general meeting, to be held at the conclusion of the general meeting."

The Chairman, in moving the adoption of the report, said, "I have to address a very few observations to the meeting on the present occasion; and in the first place I must express to you the very deep pain with which the directors have to announce to you the very sudden death of one of their number (Mr. Jaffray), the gentleman who so ably and so satisfactorily presided over the meeting in June last, who had not been very long at the board, and who had all the strength and energy of youth—a man of the highest character, of first-rate abilities, and of the highest qualities as a man of business, and who unfortunately for the board and for the shareholders has been taken from us after only a few days' illness, he having expired only on Sunday last. The feeling of the directors would have been to have postponed this meeting if time had allowed, feeling so deeply as they do that both they and the bank have sustained so deep a loss. Under the circumstances I will not refer to any questions which may lead to any difference of opinion, and I hope that no such questions will arise. The shareholders will see in the report that the progress of the bank during the last six months has been of a favourable character, and that the profits, as far as they have come before us, have been in advance of those of former years. You are aware that on this occasion it is not possible to lay the accounts before you, because the business in progress at the branches at the very busy period of their short year, they being locked up by ice for nearly six months, renders it difficult, if not impossible, to bring the accounts before you half-yearly. The directors, however, have made the usual inspection of the accounts, and the result is of a very favourable nature. I may add that the investigation which has been made of the accounts on the present occasion is similar to that which has been made during every year of the bank's existence, and on every occasion when they had been able to make up the final accounts they had found some addition, little or great, to make to the profits beyond those which were estimated at this time of the year. There is every reason to believe, not merely that we shall have such an increase to report next June, but that the increase will be found larger than usual when the accounts are finally made up. (Hear, hear.) With these observations I beg to move that the report be received and adopted."

Mr. Brooking, director, seconded the motion.

Mr. Wheeler, referring to the statement made by the chairman as to the satisfactory increase likely to take place, and the beneficial results of the last half-year's working, inquired whether it was contemplated by the directors to give anything in the way of bonus in June. (Hear, hear.)

The Chairman stated that the course of proceedings of this bank had always been to declare a dividend in the summer upon the actual accounts of the previous year. At the end of the year they merely made an estimate, they having first ascertained by examination that they could prudently and properly pay a dividend to the same amount as that paid in the summer. They did not anticipate what would be the state of things next summer. He assured the proprietors that if they could do as they had sometimes done before, add a little to the dividend, nothing

would delight them more than to do so; but such a question was never entertained at this meeting.

Mr. Petrie said that he quite concurred in the sympathy which the directors had expressed for the loss of the late Mr. A. W. Jaffray; but referring to the dividend mentioned in the report he wished to know whether, in the opinion of the board, the time had not arrived when they should not wholly reconstruct the bank, and with that view he would put a series of questions which he had drawn up after various conversations which he had had with gentlemen in reference to the Canadian portion of their business. He would ask—1. Has it not been the experience of the bank that when money is cheap in Canada the customers of this bank go elsewhere for their discounts, and when money gets dear they return? 2. Has money not been as regularly returned from Canada when cheap, and drawn from this market when dear—the reason being, as stated in the report, 6 to 7 per cent. is the legal rate in Canada? 3. Have the agents in Canada not invariably received those customers who thus go and come—in fact, cannot do otherwise? 4. Have the profits for the past two years not been chiefly from money lent in London; and if the agents in Canada had not drawn away funds from this side, would not our profits have been larger? If this be so, why continue the Canada business? 5. Could we not, in addition to our other business, make considerable profits by receiving money on deposit as other banks do, and lend it out to the discount houses, on the Stock Exchange and unquestionable securities? Would not the position and credit of this bank (with a million paid up) command deposits to the extent of some millions? and if only three millions were received, and 1 per cent. per annum made by the turn, we should have £30,000 additional annual profit, adding in this alone 50 per cent. to our dividend, and with very little additional expense. Is the charter worth this?

The Chairman, with respect to the first question, said that although some cases might have arisen where customers had gone away and returned, the managers would be very deficient if they allowed the customers to treat them in that way as a rule, and he believed there was no reasonable ground for any such imputation. In regard to the next question, he admitted that as far as the public were concerned the natural course of things would be for money to be returned from Canada when cheap, and drawn from this country when dear; but it was the object of the bank to prevent such a proceeding, and he assured the hon. proprietor that the bank managers were quite alive to the effect on its interest of such a course of proceeding. It was not the fact that at any time the profits of the bank had been derived chiefly from money lent in London. Some two years ago, when money was low, they had a good deal of their capital here, but it only yielded a small portion of the profits of the bank. Just now, when, according to the theory of this question, they would have no money in London, it did happen that they had got rather a large portion of their capital here which they were employing at a high rate of interest, and it was probably yielding a larger proportion of the full profits than money employed here had done at any previous period. In reply to the fifth question, he might observe that the bank was established for the express purpose of carrying on business in British North America. The deed of settlement contemplated that, and nothing else. They could not change that state of things, and the directors had no power to employ money received on deposit here. They must conduct the business accord-

ing to the deed of settlement, and he did not believe that the shareholders could alter that state of things. No doubt they could receive deposits and lend them out if they were an English bank, but in point of fact they were not. The charter and deed of settlement authorised them to bank and do banking business in British North America and parts adjacent thereto, and to take up money in London would involve a heavy responsibility. Whether they could legally do it or not he was not prepared to say, but, at all events, it was not a directors' but a proprietors' question. He had been connected with this bank during the twenty-eight years of its existence, and he did not believe that the entering into the business of taking deposits and lending them to discount houses at their own risk would be a very popular measure with the shareholders. The feeling of the proprietors of this bank had always been a strong desire to carry on the business prudently and safely. (Hear, hear.) He was quite aware that if they could get a large amount of deposits, and make only 1 per cent., they would add materially to their profits, because if a bank with £1,000,000 capital got deposits to the extent of £20,000,000, they of course got 20 per cent.; but they must remember that those large profits were never made without large accompanying risks. They could not extend the area of profit without extending the area of risk. (Hear, hear.) The charter itself scarcely contained any regulations for the management of the bank, but it recognised the deed of settlement, in accordance with which the business was carried on. Not being a lawyer he could not undertake to say how far they could get the deed altered, but he believed that as it at present stood any single shareholder who objected could prevent the directors from altering the character of the establishment. At all events it was not a question which the directors ought to initiate, whatever might be done by the shareholders.

A Shareholder—Is it worth while to do business in a country where you can only get 6 or 7 per cent. when money is so high.

The Chairman said that the proprietors must bear in mind that the rate of interest in London for some time past had been very exceptional, and that the average rate of interest in this country was less than 6 per cent. They could not withdraw their business from Canada when money was high here and take it back when it was low. If they gave up the Canadian business they must give it up altogether. He was reminded that the reason why there was so much capital in London at the time the rates were so low was in consequence of an act of prudence on the part of the directors. The whole of the capital which they used to employ profitably in New York before the war, was entirely withdrawn, because they did not think (knowing what the fluctuations in the currency must be) that it was prudent to leave a large amount of their capital there. (Cheers.)

Mr. Macdougall said that he should, under the painful circumstances of the case, and the gloom thrown over the meeting by the death of Mr. Jaffray, have been content to have allowed the report to be adopted *sub silentio*, and to have reserved any remarks he had to make to the meeting in June. The discussion, however, having arisen, he would earnestly impress on the directors to restrict their Canadian business. He considered that the directors in their report admitted that the profits in Canada were less than they were here, and he did hope that means would be taken at least to employ their money more profitably in Vancouver's Island and San Francisco than they could in Canada. He complained that with a paid-up capital of one million they had only £900,000 of circulation

and deposits, which was out of all proportion to the deposits in other banks with the same capital. He hoped that at the June meeting the chairman would be able to state that the deposits had at least doubled, and that when the time came for the renewal of the charter, when the deed of settlement would also expire, steps would be taken to give to the directors powers to extend their business, which they did not at present possess.

The Chairman explained that the proportion of the profits made by the bank was not so large in London as in the colonies; and with respect to the charter, he reminded the hon. proprietor that it would expire in 1870, but not the deed of settlement, which was for all time, at least until the shareholders chose to wind up the concern. With respect to the deposits, he could not endorse the anticipations of Mr. Macdougall, because business was too active in North America in proportion to capital to expect large deposits to be made in banks.

The motion having been put, the report was unanimously adopted.

The meeting was then made special for the election of a director in the room of Mr. Oliver Farrer, who had retired.

The Chairman having submitted the names of three candidates, Mr. H. R. Farrer was declared elected on a show of hands.

Mr. Farrer returned thanks for the mark of confidence reposed in him.

On the motion of Mr. Macdougall a cordial vote of thanks was given to the chairman and directors, and the proceedings terminated.

LONDON CHARTERED BANK OF AUSTRALIA.

THE half-yearly meeting of this company was held, on the 9th of December, at the London Tavern; Mr. W. Fane De Salis in the chair.

The Assistant-Secretary (Mr. W. M. Young) having read the advertisement convening the meeting, submitted the following:—

Abstract of profit and loss account at 30th June, 1864.

Dividend proposed to be paid viz.; 4 per cent. on paid-up capital, for half-year ending 30th June 1864, (free of income tax)	£40,000	0	0
Amount proposed to be carried to the reserve fund this half-year	5,000	0	0
Balance to next half-year... ..	8,757	6	9
	£53,757	6	9
Balance carried over, as per last report... ..	£7,849	3	11
Balance of Profit and Loss in London and in the Colonies for half-year ending 30th June 1864, after deducting current expenses, income tax, and making provision for bad and doubtful debts... ..	45,908	2	10
	£53,757	6	9
By balance brought down... ..	£8,757	6	9

The Chairman observed that the meeting was convened for the sole purpose of declaring a dividend. They did not upon these occasions submit a report or annual statement of accounts, but following the provisions of the deed of settlement, they circulated amongst the shareholders a statement showing the results of the bank's operations for the half-year. That statement had been in their hands some days, and it showed a disposable surplus of £53,757. 6s. 9d., out of which they proposed paying the shareholders a dividend after the usual rate of eight per cent. per annum, which would absorb £40,000. They proposed also to place £5,000 to the reserve fund, which would then amount to £85,000, and to carry forward a balance of £8,757. 6s. 9d., which was about £700 more than was carried forward on the last occasion. These figures spoke for themselves, and required no comment at his hands. (Hear, hear.) As regarded their affairs in the colonies, no matters of particular importance had occurred since they last met which would require any lengthened observations on his part. The panic which had convulsed the markets of Europe, and which had also disturbed the markets of the east, introducing great fluctuations in the value of produce, and involving many individuals in large losses, had in no way affected the Australian colonies. Hence the course of trade there had run smoothly, and those colonies had been permitted to proceed uninfluenced by extraneous events in their wonderful onward progress towards wealth and prosperity. (Hear, hear.) Such a state of things could not be otherwise than favourable to banking, consequently, as might have been expected, the letters they received from their managers described the position and prospects of the bank as highly satisfactory. He might also mention another matter, which must be as satisfactory to the shareholders as it was to the directors, namely, that their letters stated that during the past half-year they had sustained no losses. (Hear, hear.) As regarded their affairs at home he knew of no new feature which he ought to bring under their notice, unless it were the determination which had been arrived at by the directors since the last meeting to accept deposits for fixed periods at interest. Until recently none of the Australian banks established in this country were willing to accept deposits; and it was perfectly clear that while communication betwixt the colonies and England was so uncertain and so protracted as it was formerly it would have been impossible to accept them with any advantage. Now, however, that a postal intercourse was established which occupied only 45 days, and that the service was performed with almost railway regularity, the case was altered. The directors had also watched with interest the course of the Indian banks in taking deposits; they found that those banks did so with great success, and they thought the time had now arrived when they might imitate their example. (Hear, hear.) Their impression was that deposits would become a source of considerable revenue to the bank. This would be obvious to the shareholders when they reflected what a vast field there was in Australia for the extension of their business and the profitable employment of capital. Any amount they could raise here at English rates of interest they would have no difficulty in employing upon undoubted security at colonial rates, and the difference in the interest, which was considerable, would of course be profit. The shareholders would be able to assist the directors in this matter, either by making deposits themselves or influencing their friends to do so; and he felt sure that they would gladly co-operate with the board to promote the interests of the bank in this respect. The directors on their part had put their shoulders to the wheel, and not-

withstanding the high rates of interest that had lately ruled, they had among their own friends and connections—for the deposits as yet received from the general public did not amount to much—obtained at moderate rates a sum exceeding £50,000 on deposit (hear, hear), and he felt assured that by their assistance they would, before long, have offered to them a larger sum than the bank would probably find it convenient to accept. The rate of interest to be allowed by the Bank to their depositors would, of course, fluctuate with the market, but inasmuch as the profits of Australian banking were larger than those of English banking, they would probably be able to allow from a half to one per cent. more than given by the great English banks, such as the London and Westminster, and the Union Bank, which would be an additional inducement to persons to deposit with them. (Hear, hear.) There was another matter connected with their home affairs to which he wished to refer. They were aware that only a few weeks ago the question of transportation to Australia threatened to assume a shape which might have terminated in a serious difference betwixt the mother country and her colonies. The wise and prompt concession made by her Majesty's government had settled that question at once and for ever, and if he now referred to it it was, in the first place, to report to them the course which the directors thought proper to take upon an important question deeply affecting their interest; and in the next place, to congratulate them upon a result which, in lieu of separating Australia in feeling from England, would cement more closely than ever that union which ought, and he hoped would, always exist between the mother country and that colony in which their capital was invested. They would readily understand that, if a serious difference had unfortunately arisen out of the Convict question, its effects would have acted most prejudicially, not as regarded their property alone, but also upon the vast capital employed by England in her Australian commerce. Under these circumstances the directors thought it was due to the interests of the bank to make a representation to her Majesty's government, expressing a hope that they would terminate as speedily as possible a question which those of their directors who like himself had lived in the colonies many years, knew well the colonial public felt most keenly upon, and would go every length to see carried. He was able to state that the course they took in the matter had been received with the highest satisfaction in the colonies, and it would no doubt also have the approbation of the shareholders. (Cheers.) As regarded her Majesty's government, it was only fair to conclude that the representations of the directors, added to the firm front assumed by the friends of Australia in this country, were not wholly without effect in influencing a decision so fortunate for the peace, happiness and prosperity of our colonies. (Hear, hear.) He concluded by moving a dividend at the rate of 8 per cent. per annum.

Mr. E. Gellatly seconded the resolution.

Mr. Minton inquired what progress was being made in respect to the branches it was proposed to open at Brisbane. He also stated that, having had occasion to go to the Bank, he was happy to say that he received from its officers the fullest information in reply to every inquiry he had made, and his conviction was that the Bank was managed not only with great ability and energy, but above all with great integrity. (Cheers.)

The Chairman, in reply, stated that the establishment of a branch at Brisbane had received the careful attention of the board. Some time ago

they determined to establish it, but finding that other banks had been before them, and there being some reason to doubt whether the business they transacted was profitable, and finding, above all, that they had already sufficient employment of their capital, they declined for the present to go to the serious expense of establishing a branch. He could, however, assure the hon. proprietor that the question of the extension of their business, not only to Queensland, but to New Zealand, was at present engaging the serious attention of the board, and the shareholders might depend upon it that on the first favourable opportunity they should do so. (Cheers.)

On the motion of Mr. H. Wood, seconded by Mr. G. C. Eagle, a cordial vote of thanks was given to the chairman and directors for their able and judicious management of the Bank.

The Chairman, having acknowledged the compliment, proposed a vote of thanks to the inspector, Mr. J. Bramwell, and other officers, for their attention to the interests of the company.

The motion was seconded by the Deputy Chairman, and Mr. Bramwell having returned thanks on behalf of himself and his brother officers, the proceedings terminated.

MADRID BANK, LIMITED.

A MEETING of the shareholders in the above bank was held on the 15th December at the London Tavern; Mr. Daniell, chairman of the board of directors, in the chair.

A report from the directors was read, which went at length into the difficulties which had stood in the way of the formation of the company—one of the principal of which was the rule of the Stock Exchange, which prevented the recognition of any Spanish company by that body. The directors under the circumstances recommended the dissolution of the company, and the chairman moved a resolution to that effect.

A long and rather warm discussion took place, in the course of which the directors were charged with having neglected the true interests of the shareholders in not sooner bringing the affair to a close, before their money was frittered away in the manner in which it was probable it now had been.

On the resolution being put the number for and against was so equally balanced that a division was called for, and it resulted in the motion being negatived.

It was finally resolved to call an extraordinary general meeting of the company on Thursday, the 19th of January, and a vote of thanks to the chairman concluded the business of the meeting.

LONDON AND NORTHERN BANK, LIMITED.

THE AMALGAMATION WITH THE MIDLAND BANK.

An extraordinary general meeting of the shareholders in this bank was held on the 16th December, at the London Tavern, Bishopsgate-street, for the purpose of considering a series of resolutions for voluntarily winding up the company. Mr. Basil T. Woodd, M.P., occupied the chair.

Mr. J. P. Turner, the secretary, read the notice convening the meeting. The Chairman then said that it was proposed to submit the following resolutions to the meeting:—

“1. That the company be wound up voluntarily.

“2. That the resolution passed by the board of directors on the 25th day of November, 1864, is hereby approved, and, so far as its respective contents are to be performed or observed by this company, or are in their nature and under the circumstances of a voluntary winding up, capable of being or becoming regulations of this company, are hereby made regulations of this company; and all previous regulations of this company in any way inconsistent therewith are hereby repealed.

“3. That William Dallison Starling, Esq., Charles Poppleton, Esq., Ralph Walters, Esq., Basil Thomas Woodd, Esq., M.P., and Thomas Collis, Esq., directors of the company, and the survivors and survivor of them, be liquidators for the purpose of winding up the affairs thereof, and of disposing of its property pursuant to the regulations made by the last preceding special resolution; and that, whatever shall be done in such liquidation by any two or more of the persons hereinbefore named be valid and binding as if it had been done by all the said liquidators for the time being.”

As those resolutions had relation to that passed by the directors in November last, he would ask the secretary to read that resolution.

Mr. J. P. Turner then read the following resolution:—

“Resolved,—That the following heads of agreement between the London and Northern Bank (Limited), and the Midland Banking Company (Limited) be, and the same are hereby approved of by the board:—1. That the Midland take over the business of the following branches now carried on by the London and Northern at Leeds, Huddersfield, and Sheffield. 2. The London and Northern to let the Midland at once, or as soon as practicable, into possession of the premises at those branches, including the fittings, furniture, &c., at a valuation, and to assign their interests in such premises. 3. The Midland to take all the liabilities at those branches upon current or deposit accounts upon London and Northern handing to it the cash at those branches (estimated at about £10,000), and assigning all such of the overdrawn accounts and securities at such branches as the Midland may call upon it to do. 4. The Midland to have the option of electing to take over in a similar way the premises and business at Newcastle, Hexam, Alnwick and Morpeth branch and agencies if so disposed, upon having the cash there; also all overdrawn accounts and bills of exchange now in bank portfolio (the latter not to exceed £5,000) transferred to it. This option to be exercised within 14 days from this date. 5. That 500 shares in the Midland Banking Company (Limited) shall be forthwith applied for and taken by shareholders in the London and Northern Bank, upon which a deposit of £5 per share shall be paid. No call to be made within six months from this date, and then not exceeding £5 per share. This clause, however, is not to bind any London and Northern shareholder individually. 6. That three London and Northern directors go on the board of the Midland—Mr. Basil T. Woodd, M.P., Mr. Poppleton, and Mr. Briggs—but in the event of the last-named gentleman declining, some other director to be substituted from the London and Northern board. Mr. Ralph Walters will also join if the Newcastle branch is taken over. 7. The London and Northern directors to advance out of their own funds forthwith £10,000 for a period not less than six months upon the

deposit note of the Midland Bank, bearing interest at 1 per cent. under the Bank of England minimum. 8. The goodwill to be paid by the Midland to the London and Northern to be at the rate of one and a half year's purchase, less £500 upon the first year's net profit at the branch or branches and agencies taken over by the Midland after fairly providing for bad and doubtful debts. 9. It is understood that the directors will use their best endeavours in the event of a voluntary winding-up of the London and Northern to secure for the Midland the account of the liquidators."

The Chairman then said that the shareholders could easily imagine that in taking the chair at that meeting he did so with some feeling of mortification, very different to the feelings which he thought would have possessed him when he presided over the ordinary meeting in January next. At the last meeting in July he felt that they were in a flourishing condition, and it was only in consequence of unforeseen circumstances which had arisen that the directors had passed the resolution which they now asked the shareholders to adopt. They were no doubt aware of the circumstances to which he referred, and he need not, therefore, allude to them. He would, however, draw their attention to what had taken place since the meeting which had been held at Leeds in connection with the Leeds Banking Company. It was stated there on behalf of the directors that they would advance £25,000 for the purpose of carrying on the affairs of the bank as an independent company, and it was suggested that the shareholders should subscribe an equal sum as a loan or deposit fund. Some of the directors remained at Leeds, and others at Huddersfield, to see if that proposition would be carried out. But so far from that being done a sum of £34,000 was paid away out of the deposits. That had drawn very heavily on the resources of the bank, and the London discount market being closed against them it was with the greatest difficulty that the business of the bank could be carried on. The Bank of London refused to pay their drafts, and the only alternative was that suggested by the resolution or bankruptcy, which would have entailed very heavy loss. The meeting at Leeds rejected the amalgamation, and arrangements were made with the Midland to take the branches at Leeds, Huddersfield, and Sheffield, with an option of taking that at Newcastle. The three first places the Midland Bank had taken and commenced business, since which a considerable balance had accrued to the Northern Bank shareholders. All he had to do now was to ask them to confirm the resolution, which had been adopted by the directors after a deal of harassing and trouble. The directors offered to provide £10,000 in cash out of their own pockets, and also to take up 500 shares in the Midland Bank. They very readily came forward to allow the business to be carried on for the welfare of the shareholders in the Northern Bank. They had all heard the resolutions read, and to show that the directors were justified in the course they adopted they had engaged Mr. Price, the professional accountant, to go over the accounts, and he would ask that gentleman to state the condition of affairs, and the shareholders could then judge for themselves whether the directors had not, under the unfortunate circumstances, adopted the best course in the interests of the shareholders. He did not know whether it was intended to propose any amendment, but to meet such a case he might say that the directors had taken counsel's opinion, and had been advised that the meeting could only adopt or reject the resolutions. He then moved the adoption of the resolutions he had read, and called upon Mr. Price to present a statement of the accounts.

Mr. Price said he had made up the accounts to the 28th November, and the figures had been prepared entirely independent of the directors. Those gentlemen had given him free access to the books, and not made a single alteration or erasure in any of the figures. He had endeavoured to under-rate the assets, and some thought to too great a degree. The amount of loss was considerably in excess of that mentioned at the Leeds meeting. At the 28th of November the capital called up was £161,890, of which the calls in arrear were £12,570; the bank owed on current and deposits £103,657, at the Bank of London £100,642, of which £87,571. 11s. 4d. were good bills; dividend unpaid £6. 2s. 6d., outstanding drafts of the bank, £20,797. 14s. 5d., rents and taxes accruing, £276. 17s. 4d., making a total of liabilities and capital, £387,270. 2s. 8d. With regard to the assets, there were bills discounted (after deducting for re-discounting and loss on bad bills), £146,159. 18s. 5d.; past-due bills (after deducting estimated loss), £26,341. 2s. 4d.; loans and over drafts (after deducting estimated loss), £129,017. 11s. 11d.; stamps, £469. 8s. 7d.; premises and furniture, £2,505. 13s. 10d.; calls in arrears, £12,570; and cash in hand, £16,461. 8s., that would show a loss including the preliminary expenses (£11,016), which would have extended over a number of years, but for the present state of things of £53,745. 2s. 7d. They must consider that the Midland Bank would pay one and a half years purchase for the goodwill of the three branches, which might be estimated at £15,000, therefore the loss might be put down at below £40,000. He then proceeded to mention the statement of losses made by Mr. Turner, the manager, at the Leeds meeting. Mr. Turner then said that the loss was £26,379, and there appeared to be a very great difference. But the amount did not include the £11,016 preliminary expenses, and properly so, as Mr. Turner then imagined that the bank was in a very flourishing state, and that it would continue its business. That amount being deducted from the £53,745 would leave the sum of £31,138 to be accounted for. He gave Mr. Turner credit for having based his statement on figures, but there were several items which Mr. Turner had reckoned on as assets, which he (Mr. Price) had struck off in order to be on the right side, and which might in part be realised eventually. There were certain securities which were thought to be good by Mr. Turner when he made his statement, but which he (Mr. Price) had struck off, and after allowing a sum of £5,000 to meet any emergency or deficiency which might arise, the difference between his statement of the losses and that of Mr. Turner was accounted for. Although the difference might appear to be very large, yet it was accounted for by the items he had referred to.

Mr. Cooper then rose to second the proposition of the chairman for the voluntary winding up of the company, and the confirmation of the resolution of the board of directors. As chairman of the Huddersfield meeting he must say that on that occasion a large number of shareholders were present representing Huddersfield, Sheffield, Leeds, and the West Riding of Yorkshire generally. Mr. Tomson the manager of the Midland Bank, was present and answered the questions put to him in a very open and satisfactory manner. They tried to induce Mr Tomson to recommend to his directors a complete amalgamation on the terms of share per share a £20 Midland for a £25 London and Northern share. They made that offer on the understanding and in the belief and expectation that the shareholders would not suffer upon the payment of the money for the goodwill of the branches, which was to be at one and a half year's purchase. That proposition was received unanimously at the meeting, there not being

a dissentient voice, although all parts of Yorkshire were represented. Upon coming up to London however, they found that there were legal difficulties in the way of the proposal, and he therefore thought that the best course they could now pursue would be to adopt the resolutions of the board. It should be the object of the shareholders to throw themselves heartily into the Midland Bank—make that concern as flourishing as possible and that would tend to the benefit of the London and Northern Bank shareholders. If they followed his advice they would find that the bank would become a complete success, and by the success of the Midland, the shareholders of the London and Northern would ultimately recover every penny of their money. In conclusion, he seconded the resolution.

Mr. Olive wished to know whether the Midland Bank would take the Newcastle branch?

The Chairman said the matter was formerly at the option of the Midland Bank, but the 14 days had expired, and the directors of the London and Northern Bank could now if they liked refuse to pass the Newcastle branch over to the Midland Bank. That Company had not at present made any communication to the board of the London and Northern Bank upon the subject. He had had great experience in banks in that part (Yorkshire), and found they paid good dividends. He believed that the three branches which the Midland had taken at Leeds, Huddersfield, and Sheffield, were amongst the best in the country, and he believed the branch at Newcastle stood on equal terms.

The Chairman remarked that there had been no discussion about the Midland taking the Newcastle branch, but there was no doubt that the reason why they had not taken it was that it was not in the County of York but just over the border. Nothing had ever been said about the value of that branch, but the fact was that it had done a very good business, and had paid very well.

Mr. Olive believed that the present arrangement would be most beneficial to the Midland Bank. He wished to ask if this resolution were rejected what course would be pursued?

The Chairman said that under those circumstances the company must be wound up officially, and that would entail great loss. Perhaps Mr. Morris, the solicitor to the Midland Bank, was in possession of some information which might be important to the question before the meeting.

Mr. Morris had great pleasure in answering the Chairman's call to explain the position of the Midland Bank, and thought he might do away with all legal views of the matter. In the first place, he must say that there always had been great misinterpretations of the meaning of "amalgamation." There was a desire on the part of the Midland Bank to effect an amalgamation with the London and Northern Company, and he thought that the price at which the shares should be exchanged was the only point that remained to be decided upon. The directors of the Midland Company were ready to-morrow to put the amalgamation into operation on the principle of share for share. There was no argument in the matter; the Northern Company had settled it themselves, and the only open question was the amount that the Midland should give them credit for. The Midland were desirous of giving them every farthing of their value, in addition to the price of the goodwill. If they went into the Midland Bank they would make it strong and successful, and there was no desire on the part of the Midland Company to split straws on the question of a pound. The safest course he could suggest to them would be that made to the meeting at Huddersfield, viz., that Mr. Price, the accountant, whom they all knew,

and Mr. Tomson on the part of the Midland Company, of which he was the manager, should be selected to consider the matter, and decide what the minimum sum should be that the Midland Bank should give the Northern shareholders credit for, but that course could not be adopted until the shareholders came to some resolution similar to that proposed. Such a resolution could not now be avoided, for without a formal winding up there would be a large amount of expense and inconvenience in Chancery proceedings. The directors of the Midland Bank, pending the result of the present meeting, had agreed to the draft of a circular which they were ready to act upon that very night if necessary. He would read that circular to them. It was as follows:—

"Sir,—At an influential meeting of the shareholders of the London and Northern Bank, Limited, held at Huddersfield, on Friday, the 9th December, 1864, resolutions were unanimously passed in favour of an exchange of shares in the London and Northern Bank, for an equal number of shares in the Midland Banking Company, Limited, the latter being credited at once with such a sum on account of the value of the assets of the London and Northern Bank, as Mr. Price, on behalf the London and Northern Bank shareholders, and Mr. Tomson, on behalf of the Midland Banking Company, may agree upon; and the London and Northern Bank shares being further credited with the balance which the assets (after providing for liabilities) may realise, as well as the amount of goodwill when ascertained, on the footing of one and a half year's purchase. It was understood that the foregoing arrangement should apply to the new as well as the old shares of the London and Northern Bank, all the shares, both old and new, being entitled to participate in proportion to the amount paid up thereon.

"The directors of the Midland Banking Company, Limited, have duly considered these resolutions, and are prepared to give effect thereto conditionally on proper arrangements being concluded with the liquidators as to the control of the assets.

"In order to facilitate the exchange of shares being carried out with as little delay as possible, after the passing and confirmation of the necessary resolution for the winding-up of the London and Northern Bank, I shall be glad if you will at once sign, and return to me the form on the other side."

Mr. Morris proceeded to say that he thought the two gentlemen he had named could better fix the amount to be paid by the Midland Company than a meeting of shareholders. But he could assure the meeting of this fact, that the directors of the Midland were prepared to carry out the amalgamation with spirit and promptitude, and to welcome them all as Midland Bank shareholders. There was no uncertainty about the matter, and he did not think that they could improve upon the present proposal. However, the matter was in the hands of the shareholders, but he could assure them of the desire of the Midland to act towards them in the most cordial spirit. (*Hear, hear.*)

The Chairman wished the meeting to understand that, as the resolution stood at present, the two companies were quite separate, and if they were passed it was then for any shareholder who did not wish to come in with the arrangement to refuse the Midland shares in exchange for his own, and in lieu thereof to take the amount agreed upon between the parties to take in cash.

After some conversation as to the manner in which the amalgamation of the Imperial and Mercantile and Credit Companies and other undertakings had been effected,

A Shareholder said the shareholders were not bound to go in with the amalgamation unless they chose. But his opinion was, that if the shareholders supported the Midland Bank it would become a greatly improved concern, and they would get every penny of the value of their shares. He would ask, with all respect, whether it had been ascertained that the Midland Bank was in a safe and sound condition before they had entered into any arrangement with them.

Mr. Morris said the position and affairs of the Midland Bank were before the public. That bank had been particularly fortunate in securing the services of a good man of experience as its manager, who by his conduct had shown that he was a most cautious and careful man. He happened to dine with one of the directors, and in course of conversation that gentleman told him that he did not believe the Midland Bank had made £200 bad debts in all its branches, such had been the extreme caution which the manager had exercised. The Midland was not one of the go-ahead banks, but transacted a very quiet, steady business.

Mr. Price (in answer to questions) said that the Newcastle branch and agencies connected with it had been very profitable indeed in their working. He confirmed the statement already made, that the Midland would have taken the Newcastle branch had it been within the radius of their operations. With regard to the bad debts and the profits of the Newcastle branch, he found that while the profits from the 1st of July had been £1,585, the bad debts since the starting of the branch had only been £860.

A Shareholder asked, if he wished to keep himself clear of both companies, how much would he get?

The Chairman said that that depended upon the realisation of the assets.

Mr. Chatteris regretted to find that the arrears of calls unpaid amounted to upwards of £12,000. He thought that the first duty of the liquidators should be to get that money in, or else to declare the shares forfeited. (Applause.) They would not be acting with justice to the other shareholders who had so readily responded to the directors' call if they did otherwise.

Mr. H. A. King said that it had been found by experience and admitted on all hands that the four or five branches in Yorkshire had been conducted in such a manner as to produce a good profitable business. That being the case, he asked what could have been the policy of the directors in entering into a large discount business in London where they had no business connections? He was quite at a loss to understand such a proceeding. He thought that the shareholders were entitled to some explanation from the directors upon that point, and also, that some explanation should be given as to the loss that had arisen from the very extraordinary heap of bad debts—showing as they did that the business had been conducted in a careless and reckless manner.

After some remarks from Mr. Clench and another shareholder,

The Chairman, replying generally to the observations which had fallen from the proprietors during the discussion, said he had no difficulty in doing so. With regard to the bad debts, he must say that until September last they had no idea that any existed. They all arose from the transactions of the Bank with Messrs. Manual and Brillman. The directors

were not aware that any transactions had been carried on in that shape. The directors ought to know of everything, and as soon as it was ascertained that such had been the case, they spoke to the manager on the subject, and from what he said he (the chairman) believed he had acted with the best intentions, but the transactions had turned out unfortunate. From that time Mr. Price, the accountant, and Mr. Turner, the solicitor, had been engaged, and every action had been sanctioned by those two gentlemen and one of the directors. The liquidation would be in the hands of the directors named, and that course was suggested to save expense. The directors had never received a sixpence for their labours, neither did they expect one. The moment that they found the Bank was in difficulties they advanced money from their personal funds to help it out of them. They advanced £10,000, and undertook to take up 500 shares in the Midland Bank. With regard to the bad debts, he had been informed by Mr. J. P. Turner, the manager, that he made the strictest inquiries, before he sanctioned the advances, of one of the principal banks in London, and the names were reported to him as being very good. But it was for Mr. Turner to justify himself for imprudently making such large advances. He did not say that the directors were not to blame for not knowing what was going on, but the statements from the branches in the country were always placed before them, and they showed a profitable working; but those relating to the London transactions, which had turned out so disastrous, had not been placed before the directors.

A Shareholder asked the condition of the Bank when the new shares were issued.

Mr. Price said that when the new shares were issued in July last, they had no doubt as to the solvency of Manual and Brillman. In justice to the manager, he must say that before that firm had any transactions with the Bank, he went to one of the first City banks, where they had had an account for twenty years, and the manager was told that that account had been kept in a most respectable and satisfactory manner. That would not perhaps justify him in going as far as he had. At the time of the issue of the new shares the creditors and directors believed that the account of the firm was perfectly good, and there was not then a single bill dishonoured.

The motion for the voluntary winding-up of the company, and confirming the resolution of the 25th of November, was then passed unanimously.

A vote of thanks to the chairman closed the proceedings.

LONDON, BUENOS AYRES & RIVER PLATE BANK, LIMITED.

The second annual meeting of shareholders was held at the London Tavern on the 16th December; Mr. Hatchblock in the chair.

The report, as follows having been taken as read,

"The directors in presenting their second annual report, have to deplore the very great loss the bank has sustained by the death of their late chairman, Mr. Bruce, and to express their deep regret that he was not permitted to witness the success realised by this bank, to which his sound judgment and zealous labours so essentially contributed. The directors in submitting the annexed statement of accounts congratulate the proprietors upon the result of the second year's operations. The directors felt themselves justified in paying an *ad interim* dividend of 5 per cent. for the first half-year, they are now enabled, after the most ample provision for all bad and doubtful debts,—appropriating £1,000 towards the

reduction of preliminary expenses, and adding £10,000 to the reserve fund—to declare for the second half-year a dividend of 5 per cent. and a bonus of 10s. per share on the original shares, and a proportionate bonus on the new shares, and to carry forward to the profit and loss account of the current year the sum of £755 2s. Buenos Ayres: the reports received from their very able manager, Mr. Green (confirmed by their respected colleague, Senor Don N. de la Riesta) are most encouraging, expressing his conviction of the continued success of the bank, and also satisfaction with the zeal and good conduct of his very efficient staff. These services are duly appreciated by the board. Montevideo: the continued political and domestic troubles of this republic have contributed to retard in great measure the progress of this branch. The directors, however, hope that the steps they have taken will, on the cessation of the civil war, prove of advantage and profit to the bank. Increase of capital: the directors have given their serious attention to this subject, and in asking the proprietors to vote the necessary powers (which they do not intend immediately to exercise) are fully confirmed in their opinion by the advices from Mr. Green, that from the great increase of their general business and the rapid development of the resources of the country, they will have ample opportunities for the profitable employment of the proposed additional capital. The dividend warrants will be issued payable on 27th December, 1864.

Balance-sheet made up to 30th September, 1864.

CAPITAL AND LIABILITIES.			
Capital called up to date, viz.—£40 per share on 5,000 shares, £200,000; £5 per share on 20,000 shares, £100,000—£300,000; less arrears on 2nd call on £25 shares £410, and 456 £25 shares unallotted £2,280—£2,690		£297,310	0 0
Reserve fund, viz.—Premium on reserved £100 shares £2,000; premium on reserved £25 shares £30,000; less premium on 456 £25 shares unallotted £684, £29,316—£31,316; amount appropriated from profit and loss statement, 1863, £2,000 amount appropriated from profit and loss statement, 1864 £10,000—£12,000		48,316	0 0
Bills payable		418,833	7 11
Deposits and amounts due on current accounts, &c.		1,071,675	16 11
Rebate of interest on bills current		17,159	19 6
Profit and loss account for net profit to 30th September as below		17,921	15 4
		<hr/> £1,866,216 19 8 <hr/>	
Contingent liabilities on bills discounted, which have since been duly paid (excepting £5,000 not yet due)		£89,400	8 4
PROPERTY AND ASSETS.			
Cash on hand, at bankers', and on deposit		£116,864	8 9
Local bills discounted, bills receivable, current accounts, and other securities		1,785,491	14 5
Premises in Calle Florida, Buenos Ayres		7,095	2 6
Bank premises and furniture account £2,779. 19s. 6d.; less amount written off for depreciation £288. 6s. 6d.		2,491	12 9
Preliminary expenses £5,274. 3s. 3d. less amount written off £1,000		4,274	8 8
		<hr/> £1,866,216 19 8 <hr/>	

Profit and loss account at London office and branches to 30th September, 1864.

Dr.			
Charges, including rent and taxes, salaries, advertisements, bill stamps, directors' remuneration, and all other expenses at London office and branches ...	£17,662	14	1
Bank premises and furniture account :—amount written off this account for depreciation...	288	6	9
Leaving balance as above	£2,491	12	9
Preliminary expenses account :—amount written off this account to date ...		1,000	0 0
Leaving balance as above	£4,274	8	8
Rebate of interest on bills current	17,159	19	6
Net profit carried down	38,753	3	10
	£74,864	4	2
Cr.			
Gross profit to this date, after making provision for doubtful debts	£74,864	4	2
	£74,864	4	2

GENERAL PROFIT AND LOSS ACCOUNT.

Dr.			
1863 Sept. 30			
Dividend at 7½ per cent. per annum paid 29th December, 1863	£7,500	0	0
Reserve fund : amount carried to the credit of this account ...	2,000	0	0
Balance carried down	64	6	10
	£9,564	6	10
1864.			
June 27 Interim dividend at 10 per cent. per annum...	£10,895	15	4
Sept. 30 Reserve fund ; amount carried to the credit of this account...	10,000	0	0
Balance carried down	17,921	15	4
	£38,817	10	8
1863.			
Sept. 30 Balance as per last account	£9,564	6	10
	£9,564	6	10
Balance brought down	£64	6	10
1864.			
Sept. 30 " being net profit, per profit and loss statement as above	88,753	3	10
	£38,817	10	8
1864. Sept. 30 Balance as above	£17,921	15	4

The Chairman, in moving the adoption of the report, commenced by an eulogy of the late chairman, Mr. Bruce, whose exertions and self-devotion to the interests of the bank could not be too highly appreciated. (Hear, hear.) The directors felt gratified in being able to congratulate the shareholders on the results of the second year's operations. They gave an *ad interim* dividend of 5 per cent. for the first six months, and now they proposed a second dividend of 5 per cent., with a bonus of 10s. per share on the original shares of £100, and a proportionate bonus on the new shares of £25, making together a dividend of 11½ per cent. for the year as compared with 7½ per cent. in the last year. He hoped that would be satisfactory. (Hear, hear.) In addition to this they were enabled to add £10,000 to the reserve fund, and appropriate £1,000 towards the reduction of the preliminary expenses. All these sums united together, with the amount carried forward, were equal to a profit of 16 per cent. for the year. This was not all. They not only made ample provision for bad and doubtful debts, but in consequence of the troubles in Rio and the high rate of interest, they made a larger reserve fund than they otherwise would have done, in order to be able to meet any contingencies that might arise. They had now a month's later advices from Rio, and as none of the evils which they wished to provide against had occurred, the shareholders would have the benefit of what had been laid aside to meet contingencies in the next profit and loss account. (Hear, hear.) The Buenos Ayres branch was also progressing very favourably, and the reports they received from their manager, Mr. Green, and their colleague, Señor Riestra, argued well for the success of that bank. He regretted he could not speak so favourably of the Monte Video Bank, but this was owing to the political and domestic troubles which existed in that republic. With regard to the expenses, they at the first sight seemed large, viz., £17,662. (Hear, hear.) But these it should be recollected were the expenses for the year and not for the half-year. He analysed those expenses, and he found that the items were moderate and economical. With regard to the increase of capital, he should wait till the extraordinary general meeting before he spoke on that matter. (Hear, hear.)

Mr. Holt, the deputy chairman, seconded the motion.

Mr. Boyman and other shareholders put questions, the nature of which will be understood from the chairman's reply.

The Chairman said there could be no objection to making the report more explicit in future. The capital of the company was plainly set forth in the accounts—viz., £300,000. With regard to the 456 unallotted shares, as they were too few to be allotted *pro rata* amongst the shareholders, they would be disposed of in the open market, probably less eighty for a gentleman in the Plate, and the proceeds would be added to the company's fund. With regard to the £89,400—contingent liabilities on bills discounted which had since been duly paid (excepting £5,000 not yet due)—that was inserted in the accounts because that was the state of things on the 30th September, but since then all had run off except about £5,000 which was not yet due. (Hear.) With regard to the directors' remuneration, the directors by the articles of association were entitled last year to £2,500. They took that for more than twelve months. There were twelve directors (eleven at present), and the business in London was conducted without a manager by the chairman, the deputy-chairman, and the secretary. The expense of a manager was, therefore, saved, but he did not wish to disguise from them that from the increase of business they would be

compelled to have a manager. This year the directors were entitled by the articles of association to take £5,500, but they took £2,000 less. (Hear.) He hoped the amount they took would not be considered unreasonable. The expenses in London were £6,483; in Buenos Ayres £7,538; in Monte Video, £3,671. But it should be recollected that they were subject to increased expenditure on account of the distance of the banks. There was an item, for example, of £300 for the expense of sending out clerks. There was also a heavy charge for foreign stamps, and, on account of the cost of living, salaries were higher abroad than they were in London. The expenses last year were £14,000, as against £17,000 this year; but the expenses of the Monte Video branch were for twelve months this year as against nine months for last year. The Monte Video branch was not a loss. It afforded a moderate profit. With regard to the sum set aside for contingencies, that was a question he must decline to answer. (Hear, hear.) It was a large sum, and was three times as much as they considered necessary last year. If the contingencies did not arise, the shareholders would have the benefit of the money next year. The qualification for a director was £2,000 stock, and he believed the board held between them something like one-fifth or one-sixth of the entire capital. (Hear, hear.) With the £10,000 now added, the reserve fund would amount to £43,000. With respect to the division of the £100 shares into two £50 shares, the opinion of counsel had been taken, and it was to the effect that it could be done, but that it was not advisable to do so till £10 had been paid on the 20,000 shares. (Hear, hear.) The dividend was not free of income tax, but the next would be.

The motion was then agreed to, and a dividend of 5 per cent. and a bonus of 10s. per share on the original shares, and a proportionate bonus on the new shares, were declared.

In reply to a question,

The Chairman said that 4s. 8d. was the amount of dividend and bonus on the £25 shares.

Votes of thanks were passed to Mr. Green, the manager, and Senor Riestra for their valuable services to the bank, and a similar compliment was paid to Mr. Smithers, the secretary, whose uniform courtesy and kindness, the chairman remarked, in conducting the affairs of the bank must be known to all, and whose great knowledge in dealing with the difficult operations of exchange in five different currencies was appreciated by the directors.

The retiring directors and the auditors were re-elected, and a remuneration of £50 a year was voted to each of the auditors.

The business of the ordinary meeting having concluded,

The Chairman proposed to the extraordinary general meeting, which was then held, a resolution for the purpose of ratifying and confirming a resolution passed by the board of directors on the 19th of November, for empowering the board to increase the existing capital of the company by an amount not exceeding £1,000,000 sterling, at such times, in such manner, and upon such conditions, as the board may from time to time deem expedient.

Mr. Holt seconded the motion.

A Shareholder said that only £40 had been paid up on the original £100 shares. He wished to know whether the directors intended to call up £10 on these shares so as to make the amount paid on them £50.

The Chairman said that the late chairman, in obedience to what he considered to be the desire of the shareholders at the last general meeting, gave an implied pledge that the board would not call up that £10, and the board at present had no intention of doing so. There was now paid on the £25 shares £7. 10s. per share, and a call of £2. 10s. would be made in January. The £10 on the £100 shares, and the £2. 10s. on the £25 shares, would only produce an additional capital of £100,000. As soon as Monte Video was free from civil war they had reason to believe that the branch there would become an important and a prosperous one; but to enable it to become so they must have a larger capital in their possession. There were other circumstances also which made this desirable. They ought to be in such a position in London that they need not be obliged to pay excessive rates of discount when their remittances arrived. (Hear, hear.) There were some negotiations with respect to the right of emission in Monte Video, and if they acquired that valuable privilege they would want a larger capital. It might also be good policy to open other branches. He could only say that if this bank did not supply the capital, it would be supplied from other sources, and he should be sorry to see any opposition arise. If they did not see their way to dividend they would not ask for the money. The board would fix the rate of premium at which the shares would be issued, and they would be issued at such a price as in the opinion of the board would be equally for the benefit of the shareholders and the reserve fund. (Hear.)

A few shareholders expressed an opinion that in the first instance the board should call up the £10 on the £100 shares, but on the proposition of the directors being made it was carried, only three hands being raised in opposition to it.

A vote of thanks to the chairman and directors concluded the business.

EAST INDIA FINANCIAL ASSOCIATION, LIMITED.

A SPECIAL general meeting of the shareholders in this company was held on the 20th December, at the offices in East India Avenue, Leadenhall Street, City; Mr. H. D. Cartwright in the chair.

The Secretary having read the advertisement convening the meeting,

The Chairman said that it had been called in order to enable the directors to render some account to the shareholders of the way in which they had dealt with their money. They were aware that the time had been very much against associations of this kind. Instead of finding money easy here, as was anticipated, it had been unusually tight, the consequence of which was that their operations had been much more restricted than they would otherwise have been. He should class the observations he had to make under three heads; first, the progress they were making; secondly, he should explain the present position of the associations; and thirdly, he would state the reasons which induced the directors to make calls. With regard to the progress of the association, he might state that they had placed all the available funds in India. The capital sent out to Calcutta was £65,000, of which half was invested in land and home mortgages and other securities of unquestionable character, at an average rate of 11 per cent., and the other half arrived out just after the hurricane, and when money was in great demand. The last advices they had re-

ceived from Calcutta brought intelligence to Nov. 5. The sum of £60,000 had been sent to Bombay, of which £40,000 was invested in land and house mortgages and other excellent securities, and £20,000 was yet to be invested. The investments which had been proposed for a great portion of the capital were now under consideration, their latest advices from Bombay bearing date the 12th of November. The capital already invested had been placed in India at less than a loss of half per cent. on the rate of exchange, but that which was to be invested would probably not be invested at so small a loss, because, as a general rule, the loss on sending money from England to India was 3, and frequently 4, per cent. They would observe that the money placed at the disposal of the Indian agency was £25,000 in excess of the paid-up capital. That included the whole of its liabilities on acceptances, including March and April next, which liabilities would be provided for out of the first call to be made. Those acceptances were for the purpose of investment, and it was hoped that the profit accruing from the employment of the funds pending the maturing of the bills would be considerable. While on this subject, he might say with respect to Calcutta, that the moneys now called up would enable the agents, should they require to draw for investment, to make such terms as would save the association from the loss on the rate of exchange with respect to those drafts, which was a point that had been brought prominently to the attention both of the Calcutta and Bombay agencies. Those agencies were in very trustworthy hands, and the receipts and correspondence reached this country with the greatest regularity every mail. The drafts all passed through the Bank of Agra and Masterman, the company's cash depository, and the agents in India were assisted by the co-operation of influential local committees. Two of the directors, Messrs. Moran and Robinson, had lately returned to Calcutta for a short period, and would act on the local committee, and from the intimate knowledge they had of the principal persons in Calcutta, and their influence, it was expected that a large business would accrue to this company in course of time. With respect to the position of the company, all he could say was that their money was most securely invested, ample margin having been left for depreciation; the greatest caution had been used, and the severest tests applied to all the securities on which the company had lent money. They must, however, recollect that their funds were very limited, and the expenses of working a small paid-up capital were as heavy as if they were working one ten times as large. For the greater portion of the year the English money market had been in such a state that it was out of the question to hope for any assistance from debentures except at a rate of interest which would have left no margin of profit, and the directors had felt that severely, because the opportunities for investing on safe securities in India were very large; and looking to the present state of things in India, the board had thought it better to avoid business of a general financial character, because, although the prospective profits might be large, they might be absorbed or swept away on the failure of any security which entailed a great risk. (Hear, hear.) In the investments they had made, landed securities chiefly had been sought and obtained; and he had pleasure in stating that to the shareholders because it was material to their interests. (Hear, hear.) Their position was this: a small paid-up capital safely invested or in course of investment at paying rates, with power and opportunity to do a very large and profitable business on the production of more capital without materially increasing their

working expenses. With reference to the reasons which induced the board to make a call, they were explained by the observations he had made with regard to the position of the company. The simple fact was that they wanted money and came to the shareholders for it, bringing in their hands proofs that they had invested the money already entrusted to them securely, and that in the face of the most difficult and exceptional period of money value relatively in England and India. Their prospects at the time of their organization were a moderate supply of money on this side and great scarcity in India, but the reverse had been the case, and had taken even the most far-seeing by surprise. In the western presidency of India twelve months ago money was from 20 to 30 per cent., and in considerable demand, whereas now it was only 8 to 10 per cent. As to their future prospects he could say with confidence that with a good supply of money there existed both in the Calcutta and Bombay presidencies an ample field for the profitable working of the association. In the presidency of Bengal, extensive railway works were proceeding, and advances might be made on very profitable terms on railway and other public works, the interest of whose capital was to a great extent guaranteed by the government. Besides this, in one district of Madras alone, that of Malabar, they could employ immediately fully one-third of the subscribed capital, while in respect to another, he meant the district of Wyenaud, where coffee planting had been engaged in to a great extent with very successful results (which district he knew intimately, having a large interest in it), he could speak most positively to the fact that the whole of the subscribed capital of this company might be invested in excellent security. Thus, the field of India, on the one side where he had resided, and on the other side where some of his co-directors had resided, there was no doubt that a large capital could be most profitably employed, and had it not been for the exceptional state of the money market here for so long a period, they would have no doubt been able to show a much better account, proportionally though perhaps not actually. They were also making cautious inquiries in the direction of China and Japan; but until the capital was increased they would be obliged to confine themselves to that part of the east with which they were best acquainted.

In reply to questions from Mr. Harris,

The Chairman said that the £25,000 acceptances in excess of the capital was money drawn on six months bills, the difference in the rate of exchange representing the whole of the interest paid, and that, as he had explained, did not on the average exceed half per cent. Of course, some of the bills had been drawn at a higher rate, and even at $4\frac{1}{2}$ per cent. the average was only one-half per cent. The fact was that they made a profit on the larger sum, and suffered a loss on the smaller. The money derived from those acceptances had been invested at the rate of 11 per cent. (Hear.)

Mr. Porter inquired what progress had been made by the board in the issue of debentures, or whether they intended to abandon that system? He reminded the board that the calling-up of capital tended rather to depreciate debentures in the market.

The Chairman replied that the board were well aware that the prosperous working of a large concern like this depended to a great extent on the assistance it could derive from other quarters at a moderate rate of interest. They were still advertising for debentures, but considering the state of the money market hitherto they could not expect to meet with much success. They had had applications for debentures, but up to the present they were comparatively small, and he trusted they would soon be larger.

It was important to the holders of debentures to know that from the mode in which the money of the company was invested nothing could be securer than their debentures. If this association could get £100,000 on debentures with £150,000 paid-up capital, they could easily declare a £10 per cent. dividend.

Mr. Stoven inquired whether the directors had contemplated an amalgamation with any other company of the same description, for the purpose of widening their basis. He remarked upon the fact of the large number of financial companies which had sprung up both in India and in this country, which had introduced an extraordinary competition, and had led to considerable depreciation in the value of money in India. He hoped the directors would, if they had not done so already, take this matter into consideration, and he pointed out that the position of the Land Mortgage Bank of India was such as to well merit their consideration.

The Chairman said that the subject had not escaped the consideration of the directors, and if there was an opportunity for a profitable amalgamation with another company of a suitable character, no regard to the position occupied at the board by the directors of this company would prevent them from carrying such an amalgamation into effect. (Cheers.) He, however, remarked that some of the associations which had been recently formed in India transacted a class of business which this company would not touch (hear, hear), and he trusted that the shareholders would give the board credit for acting prudently in dealing with their money. (Cheers.)

A Shareholder asked if they had any losses?

The Chairman: None.

A Shareholder complained that there was a report abroad that 800 shares had been purchased by the directors with the funds, and sent out to India. They were bought at a premium.

The Chairman denied that those shares had been bought with the funds of the company. But directors who had shares on hand sent them out with a view of obtaining influential support in India.

In reply to questions,

The Chairman said he was not at liberty to say whether they had had overtures made to them for amalgamation, or whether they had made overtures themselves.

Mr. Stoven hoped the directors, in the present state of the company, would not vote themselves the amount to which they were entitled. He asked also what would be the extent of the calls?

The Chairman said their present intention was to call £5. They would take no remuneration which the shareholders would not cheerfully vote. He believed the directors had power to draw acceptances to the extent of the capital, and to issue debentures to the extent of the subscribed capital, but they were limited to £250,000.

Mr. Hill asked what the preliminary expenses stood at.

The Chairman stated they were brought out by the International, and the expenses were settled at £2,000. They were ready to earn commissions when proper opportunity presented itself.

The proceedings were then brought to a close, and a vote of thanks passed to the chairman.

THE LEEDS BANKING COMPANY.

On the 1st December the case of the shareholders of the Leeds Banking Company came again before Mr. Buckley, chief clerk of Vice-Chancellor Kindersley, at the Vice-Chancellor's Chambers, Lincoln's Inn. Three cases were selected for consideration belonging to Class B, and those cases were looked upon as representative cases, with a view to decide all similar ones connected with the contributories. There was a very large attendance of solicitors representing shareholders.

The first case for consideration was that of Thomas Bromfit, Thomas Dixon Cradock, and Thomas Craven, the executors of a deceased gentleman named James Cradock.

Mr. Denton (of Messrs. Freshfields and Newmans) appeared for the official liquidator. He said he believed there was no objection to placing those gentlemen on the list of contributories in their representative character as executors, and he should be quite satisfied if they were placed on the list of contributories in that capacity. They thought the estate was sufficient to pay all, and they did not desire to do more than place them on the list of contributories. The persons who had taken the residue of the property were persons in a good position.

Mr. Nelson said he only got notice in this case the previous evening, and he had not had an opportunity of looking into the matter, but he believed those shares were specially bequeathed by a will, although with another property; and a bill had been actually prepared to say which fund should bear the call. It was a question whether it was payable by the tenant for life or by the residuary legatee.

Mr. Denton asked the amount for which the will had been proved.

Mr. Nelson—£7,000.

Mr. Buckley suggested that they should be placed on the list of contributories, without prejudice to the right of the official manager to place any one on the list whom the bill should find.

Mr. Nelson—Then how do you propose to put us on?

Mr. Denton—As executors, without prejudice to the rights of the official manager.

Mr. Bunting said it was very important that this case should be settled in some way, if it were to decide other cases.

Mr. Denton said if they got £70 per share from the executors of Mr. Cradock they thought they had done all they could.

Mr. Torr—May not the trustees get off if there is a special bequest? That would not determine the other question.

Mr. Buckley could not help that. They had not all the facts before them.

Mr. Bunting did not know the executors were liable. There was some division of the property, and he generally objected to the course that was being taken with very great respect.

Mr. Buckley could not see that he was prejudiced. He settled them as executors, and left all the other points open. They could not take evidence to settle the legatees.

Mr. Torr said this was not a good model case.

Mr. Nelson said the executors did not resist in their representative capacity.

Mr. Denton—Mr. Cradock signed the original deed, and his will was

produced in 1857 at the Leeds Banking Company, and the executors named in the will placed on the list. He was prepared to prove by the drafts of the Leeds Banking Company that those gentlemen had drawn various amounts from the bank, describing themselves as the executors of James Cradock, and that was continued up to the 4th of February, 1864. They had received the dividend, drawing on the Leeds Banking Company in their representative capacity.

The names were placed on the list of contributories in their representative capacity as executors.

Mr. Denton said the next cause was that of Crossland. There was the deed of settlement executed by Mr. Crossland for 16 shares. He obtained on the 7th of April, 1841, five further shares. In 1862 probate of the will was produced at the bank, and there was an entry on the 6th of February and the third of July, 1864, that the executors of Crossland received the dividend.

A short discussion followed, and this case was ordered to stand over to ascertain the amount of the property left under the will.

Mr. Williamson, solicitor, appeared for the executors in this case.

The next case considered was that of John Chalk Bennett, of Liverpool.

Mr. Denton said in this case he produced the deed of settlement executed by Mr. J. C. Bennett for ten original shares. The deed of settlement was signed for 7,340 shares, and 2,660 shares were reserved to the directors; and on the 20th November, 1857, there was a transfer of 30 shares, and on the same date a transfer of 15 shares—in all 55 shares—to Mr. Bennett. Of the 2,660 shares in the hands of the directors he had subsequently had 22 additional allotted him, and on the 2nd of August he paid £660 on account of those shares, and asked for the certificates at the earliest convenience of Mr. Greenland. The register had been identified in this case, and there was no question as to the number of shares.

Mr. Bunting asked, was there any evidence that the share register was entered up at the time? It might have been entered after the stoppage of the bank.

Mr. Buckley would not go into those questions unless they were raised in each particular case.

Mr. Paterson objected to his client being made responsible on the latter shares, for which he had paid £660 and had received no return. He was induced to take the shares by statements contained in the report of the Leeds Banking Company for February, 1862, which were false and fraudulent. They wanted to know the truth of those statements on the 2nd of February, and they wanted to know how many bills were in the hands of the bank as new bills, and how many years and months they had them.

Mr. Buckley thought the shareholder was entitled to enquire into those matters, and would postpone the further consideration of the case for the present.

The inquiry was then further adjourned.

On the 9th December a meeting was held at the chambers of Vice-Chancellor Kindersley, before Mr. Buckley, the chief clerk, for the purpose of declaring a call.

Mr. Denton, from the office of Messrs. Freshfields and Co., stated that up the present time 189 shareholders, representing 6,660 shares, had been

settled on the list of contributories. There were certain cases which related to the liability of executors and trustees that stood over for inquiry, and others also postponed for the Vice-Chancellor to fix the parties. Since the last meeting all who had been settled had been served with the usual notices, and also a copy in print of the remarks of Mr. Turquand, the official liquidator, at a previous meeting. That gentleman had filed an affidavit, dated Dec. 6, 1864, in which he stated his reasons for stating that a call of £70 per share would be necessary; and he also presented an approximate statement of the affairs of the company at the date of its stoppage, viz., Sept. 17, 1864. The amount of bills of exchange not yet due and still current was £830,000, or thereabouts; but it was impossible, from those returned unpaid at present, to ascertain accurately the amount of deficiency from this source, but it would probably be £503,000. It further appeared that on the 17th September the company were indebted to certain creditors unsecured to the extent of £639,337. 0s. 6d.; likewise to creditors holding security, £90,000 odd; and also to liabilities on bills bearing the endorsement of the bank estimated to rank at about £1,000,000; making in round numbers £1,700,000 as the total of the debts of the Leeds Banking Company. For this it was necessary that a call should be made. It was supposed that there would be available in course of time assets to the extent of £826,000, and that in that way the total amount to be ultimately fixed as the loss of the company will be about £503,000. This presumption was grounded on the fact that it was estimated there would be recovered from the drawers, the acceptors, and the endorsers of the dishonoured bills something approximating to £400,000. The list of contributories comprised 7,340 shares in Class A and 2,374 in Class B, and with a few exceptions the persons returned as contributories in Class B were also found in Class A. He therefore did not consider, having regard to all the contingencies of the case, and seeing that some persons would fail to pay, that a call of £70 per share would be too much.

Mr. Torr, solicitor, complained that the statement of Mr. Turquand did not come up to the present date.

Mr. Denton said that if Mr. Torr's client would pay the expenses of such a process, it would be furnished at once.

Mr. Turquand said there was no probability of the assets exceeding the estimate. The liabilities had "run off" £660,000.

Mr. Torr said of course they must, to a large extent, rely on the official liquidator; but it was generally usual, he thought, before making a call, to give precise information as to the finances up to the period of convening the meeting for such purpose.

Mr. Buckley.—It would be a very great expense.

Mr. Torr thought that after all there would not, perhaps, be much variation.

Mr. Buckley.—Then let there be a call of £70 per share.

Mr. Fearnley wished to know when it was to be paid.

Mr. Turquand suggested in a month.

This was agreed to, and the meeting adjourned.

BANKING AND FINANCIAL ANECDOTES.

No. I.

THE FOUNDER OF THE BANK OF ENGLAND.

"The world knows nothing of its greatest men," says a philosophic poet ; and it is astonishing how little is known of the founders of great cities, or cities which once were great ; of great institutions, or of the originators of great theories, religious or political. Certainly the founder of the Bank of England, if a man be measured by the effects he has produced, should be reckoned amongst our great men, and we know but little of him. Mr. Francis, in his "History of the Bank of England," tells us that William Paterson—who, by the way, was not only the founder of the Bank of England, but the projector of the present Bank of Scotland—was born in Traillfalt, in the county of Dumfries, in 1658. "Having been educated for the church, he indulged a naturally adventurous disposition, by visiting the West India Islands, under pretext of converting the Indians. His real occupation is stated, however, to have been very different, as he mingled with, and perhaps formed part of those daring buccaneers, the exploits of whom form so romantic a chapter in the byeways of history. While roving about the beautiful islands of the western Indies, Paterson loved to listen to the buccaneers, who, after a stormy and eventful career, delighted in relating the glories of their early achievements ; and, with memories which still lingered on their past lives, recounted with transport the ease with which they had passed from one sea to another, driving before them the plunder they had acquired. From them he heard of precious metals in the bowels of the earth, of fine tracts of land little known to Europeans, and of rivers sparkling over sands of gold. The romance which fired the imagination of the youth, was productive in the maturity of his manhood of the unfortunate Darien expedition." The disastrous failure of this enterprise is matter of history, and it is here referred to in consequence only of the name with which it is identified ; for "William Paterson, the first to leave his native soil at Leith, and the last to quit Darien, saw with an anguish almost inexpressible, the failure of his cherished scheme." A writer of the time affords us a passing glance at the man :—"The colonists," he says, "give Paterson due praise, for he hath been diligent and true to the end. He looks more like a skeleton than a man."

Paterson himself touchingly corroborates this. "When the rest were preparing to go away," he says, "I was left alone on shore in a weak condition. None visited me except Captain Drummond, who, with me, still lamented the thoughts of our leaving the place, and prayed God that we might hear from our country before we left the coast." The remnant of an expedition which had left their native shores, their hearts beating with high hopes, and their imaginations picturing "full many a sanguine scheme and fraught with loveliness," were brought so low on their determining to abandon their project, that the few returning adventurers were physically too weak to weigh the anchor of the leaky vessel destined to convey them home. Among this little forlorn company was the projector of the scheme which was now coming to so disastrous a conclusion; and the failure of which weighed so heavily upon him that for a time, during this miserable return voyage, he lost his reason.

If Paterson's name, is, however, connected with this gigantic failure, it is identified with one grand success—the Bank of England, to say nothing of that of Scotland. The Bank of England was established in 1694, and the name of William Paterson, the founder, was on the list of directors for the first year, but only for that year. His resignation of the office of director, could the facts connected with it be fully ascertained, would but be another illustration of an oft-told tale. "The persons to whom he applied," said Sir John Dalrymple, "made use of his ideas, took the honour to themselves, were civil to him awhile, and neglected him afterwards." The institution which he founded remains, grand in its influence and mighty in its power, but the memory of its founder is preserved only by a few faint touches of the historian's pen; and no more touching epitaph could be written on the enterprising Scotchman than this brief mention of him by one of the writers of Queen Anne's reign: "Paterson survived many years in Scotland, pitied, respected, but neglected."

THE GREAT FINANCIER AND THE BATTLE OF NAVARINO.

THAT Navarino was one of the decisive battles of the world cannot be doubted. Alison thus writes relative to its effects on the current of events in Europe and Asia. "No words can convey an idea of the transports of joy which pervaded entire Greece when the intelligence of the battle of Navarino was received. Fast as the flaming

beacon which conveyed the news of the fall of Troy to Argos, the joyous tidings were transmitted from mountain to mountain, from crag to crag, from isle to isle, and one throb of exultation and thankfulness was felt in every bosom. Equally great was the sensation produced by this memorable event over entire Christendom. Never, save by the taking of Jerusalem, in 1199, by the crusading warriors under Godfrey of Bouillon, had so unanimous a feeling of exultation pervaded the Christian world. It exceeded that felt at the battle of Lepanto, gained by Don John of Austria. . . Slow, but certain, had been the march of divine justice. The final blow was not struck till many opportunities of repentance had been neglected ; but when it was delivered, the balance was at once righted ; an entire people rose from their grave ; the blood of Chios was avenged by the flames of Navarino.

The way in which the news of this momentous battle was first made known in England was very curious. One Saturday evening in November, 1827, Rothschild, the millionaire financier, made his appearance at the office of the *Atlas*, then the leading weekly paper of the day, and holding a high position in the estimation of the commercial world. This journal was printed and published at Beaufort House in the Strand, and some of its proprietors were said to be identical with the proprietors of the lottery which was then in vogue. The eminent financier had evidently something important on his mind, and his mere appearance in the office of a well-known journal, gave rise to excitement. He brought the first news that had been received in England of the battle of Navarino. He held in his hand a copy of the *Moniteur* with an outline of the facts. But it was in French, and the great financier either felt himself unequal to the task of translation, or would not perform it. The paper was just going to press ; the editor had gone ; and none of the heads of the establishment could translate the despatch. What was to be done ? In the emergency the master of the printing establishment remembered that one of the apprentice boys had some knowledge of French. "Tom" (for that was his name, as the story-books say), was thereupon called down from his composing-frame, and requested to translate the despatch. This he readily did, and went to his work again, grumbling at receiving not the slightest acknowledgment for his services. The news was rapidly inserted in the *Atlas*, and the intelligence flew over the town like wildfire, none caring to

know who had been the humble instrument in conveying the news to the public in their own language.

THE BANKER AND HIS CUSTOMER.

OLD Mr. Lefevre, the father of the late Speaker of the House of Commons, and the principal founder of Curries and Co.'s house in Cornhill, illustrated the theory of banking one day to a customer in a significant manner. The customer in question was one of those men who find it very convenient to have bad memories. His account was almost always overdrawn, and whenever spoken to on the subject, his answer was the same—he really had forgotten how it stood. At last Mr. Lefevre, who had watched his opportunity, caught him one day at the counter, and said to him, “Mr. —, you and I must understand one another something better than we seem to do. I am afraid you don't know what banking is; give me leave to tell you—It's *my* business to take care of *your* money, but I find *you* are always taking care of mine. Now, that is not banking, Mr. —; it must be the other way; I'm the banker, not you; you understand me now, Mr. — ?”*

Reviews.

EQUATION INTEREST TABLES, at 5½, 6, 6½, 7, 7½, 8, 8½, 9, 9½, and 10 per cent. calculated for the use of bankers and others. To which are added commission tables at one-eighth and one-fourth per cent. By JOHN ROSS COULTHART. Longman & Co., London; A. and C. Black, Edinburgh; and W. Mc Gee, Dublin.

In our June number we briefly reviewed a volume of Interests Tables then published by Mr. John Ross Coulthart, banker, Ashton-under-Lyne, and we now recur to the book, the author having in the meantime extended the rates from 8 to 10 per cent., by the addition of four sets of tables advancing consecutively one-half per cent. beyond each other. He has also added Commission Tables at one-eighth and one-fourth per cent. which will be found very convenient by accountants in country banks, where one-eighth per cent. is now usually charged on all business done by customers who keep a creditor account, and one-fourth per cent. on all transactions in an account where the customer is from time to time accommodated with advances. The extension of the rates beyond 8 per cent. has doubtlessly been rendered necessary by the Bank of England having maintained its *minimum* rate of discount at 9 per cent, for such a lengthy period in the months of September, October, and November, and

* D. Hardcastle, Jun., “Banks and Bankers.”

the prospect that there still is of money remaining at tolerably high rates in consequence of the heavy calls which have to be paid on several important foreign loans, and the pressing requirements of many of the financial and commercial companies that have recently been formed in this country. These tables, however, it is to be hoped may now be considered sufficiently comprehensive for the calculation of any rate of interest likely to be charged by bankers for some years to come, and at the present time they must prove of great practical utility to all who keep their accounts on the Scottish or progressive system, as without such tables the time and labour of accountants must be nearly doubled, and the liability to error increased probably tenfold. But besides the advantages referred to in the calculation of interest exceeding five per cent., these tables will be found extremely useful in the making up of accounts at minute fractional rates of interest beneath five per cent., which has often to be done in the ordinary state of the money market. For instance, the half of $9\frac{1}{2}$ per cent is $4\frac{3}{4}$ per cent.; the half of $8\frac{1}{2}$ is $4\frac{1}{4}$; the half of $7\frac{1}{2}$ is $3\frac{3}{4}$; and so on down through the various rates in the volume. Though these tables have been published principally for bankers, yet they will also be found more convenient than any other by all persons engaged in interest calculations, as, from our own experience, we can unhesitatingly affirm that no one who has used such tables for a short time, and thoroughly understands their principles and application, will ever voluntarily relinquish them for any other description yet printed. Their chief excellence consists, as we stated in our former article, in being easier of reference, freer from losing the fractions of a penny, less liable to error, and requiring fewer extractions in collecting the interest than other tables, and when we add that they have been continuously used and appreciated by the banks in Scotland for the last eighty years, we have given perhaps the best evidence that could be adduced of their practical superiority. Indeed, the saving of time in the making up of accounts at the periods of general balancing is held by all bankers to be of vital importance, for as no transactions of a subsequent date can be posted to an account until after it has been balanced, the exact amount of a customer's debt or credit is a matter of uncertainty whilst that operation is in abeyance, but so rapidly is the balancing of accounts effected with tables of the nature of those under review, that we have frequently known accountants in banks balance thirty accounts per hour, or after the rate of one account in every two minutes. In very many of the banks whose accounts are kept on the progressive principle, the whole of the current accounts are balanced on the evening of the same day on which the general balance occurs; but we believe that it would be utterly impossible to do so in the great majority of existing cases if it were not for the facilities afforded by interest and commission tables like those published by Mr. Coulthart. We have been led to make these remarks, not so much for the purpose of praising Mr. Coulthart's tables, though they are deserving of high commendation, as with the view of inducing those bankers who still adhere to the old-fashioned laborious, dilatory plan of reducing the charges and allowances on every separate bill and draft they receive into pounds, shillings and pence at the time of the transaction, to discontinue that practice without delay, and instead thereof to simply multiply the number of days by the sum of money, be it bill or balance of account, and carry that product into the debtor and creditor interest column, leaving it there till all such products are added together at the end of the half year, and reduced to pounds, shillings, and pence by one operation with equation interest tables. This plan will save

much time and labour; and to ascertain the average value of money for the half year it is only necessary to take £100 and multiply it by the number of days during which each separate rate of interest existed in the course of the six months, and having applied the appropriate interest tables to these different products respectively, and added the interest items together as collected from the tables, the amount will be the average interest on £100 for the half year, or if doubled, the average rate per centum per annum. No doubt there are exceptional accounts in all banks which would have to be treated differently; but we are at present speaking of banking accounts generally, and of the most approved method of keeping and balancing them. In adopting the plan recommended, Equation Interest Tables are almost indispensable, and as those published by Mr. Coulthart are by far the most comprehensive of the kind ever printed, we have no hesitation in bringing them under the special notice of our readers, and in recommending them as being in every way thoroughly serviceable and trustworthy. We may add that the work in its enlarged form is characterised by the same distinct style of printing, and careful manipulation of stereotyping, which distinguished the issue from the plates in June; and Messrs. Harrison and Sons, of St. Martin's Lane, have in their department shown how safely they may be trusted with similar work, which is, perhaps, the most difficult to manage accurately of any connected with letter press printing.

UNITED DANUBIAN PRINCIPALITIES LOAN.

THE prospectus of the United Danubian Principalities loan of £916,000 has been issued. It is brought out under the auspices of the Imperial Ottoman Bank and Messrs. Stern Brothers, who, acting on behalf of themselves, the International Financial Society, the Société Générale of the Ottoman Empire, and others, notify that they are prepared to receive subscriptions at the price of 86 for each £100 stock. The interest is 7 per cent. per annum, with a sinking fund of 2 per cent. per annum, the bonds to be redeemed by annual drawings, and paid off at par in London in sterling. The interest and sinking fund of this loan are specially guaranteed by a first charge upon the Customs revenues of the united Principalities. It appears that the Customs revenues amounted in 1861 to £258,700; the total estimated by the Ministry for 1865 is £332,100; the annual amount required for the interest and sinking fund is £82,440. Since August last, the date when the contract was concluded, the payments have been regularly made in conformity with the agreement. Discount at the rate of 7 per cent. will be allowed on payments in full in anticipation. The interest will date from the 1st of September, and this, with the discount allowed in prepayments, will render the price of issue equivalent to about 83 per cent. Looking at the reimbursement of the bonds at par by means of the sinking fund, the calculated return is about 10 per cent. per annum. This is the first foreign loan which the Princi-

politics have contracted, and there is no internal stock existing. Eighty per cent. of the entire loan is to be applied for the indemnity to be paid for the secularisation of the convent property, by which means the revenue of the Government will be increased to a much larger extent than their expenditure will be by this loan. Messrs. Glyn, Milla, Currie, and Co., are the bankers ; and the brokers are Messrs. P. Cazenove and Co.

DANISH FIVE PER CENT. DEBENTURES.

Messrs. R. Raphael and Sons have announced an issue of Danish Five per Cent. Government Debentures to the extent of £728,000. The Sound dues receivable from Russia, of which a large proportion remain to be paid, are pledged as security in the first instance, and in addition "all the means and revenue of the Danish state and finances." The circular intimates that the subscription price is to be 94½ per cent., payable, 25 per cent. on allotment, 25 per cent. on the 15th Dec., 1864, 25 per cent. on the 16th January, 1865, and 19½ per cent. on the 15th February, 1865. Discount is to be allowed at the rate of 5 per cent. per annum, and no application will be received after the 1st December. The debentures, it is arranged, shall become due in sums varying from £21,000 to £38,000, at specified dates down to May 1877, and of course will be redeemed at par.

MONTE VIDEO EUROPEAN LOAN.

THE proposals have been issued of the Monte Videan European loan of £1,000,000. The amount is to be placed in bonds to bearer of £100 each at the price of 60 per cent. The operation is introduced under the sanction of Messrs. Maua and Co., of Monte Video, and Messrs. Maua, M'Gregor and Co., of London, and Messrs. P. Cazenove and Co. are the brokers. The bonds are to bear 6 per cent. per annum from the 1st of January, 1865, payable in sterling half-yearly in London, and a sinking fund of 1 per cent. will be applied annually in the purchase or redemption of the bonds in sterling. It is, in fact, a conversion of the debentures of the internal debt into a national debt stock. The interest and sinking fund are secured as a charge on the general revenue of the republic, and also by a special hypothecation made by the law of the 14th of November, 1863, of certain customs and anchorage dues. The revenue derived from these sources is stipulated to be paid weekly to Messrs. Maua and Co., who will remit monthly to Messrs. Maua, M'Gregor, and Co., of London, for payment to the bondholders the proportion necessary for the payment of the interest and sinking fund on the external national loan. The

payments since the 1st of January, 1864, have been regularly received by Messrs. Maua and Co., and they were, therefore, able to estimate with accuracy the annual amount which may be looked for from the hypothecated revenues. This estimated annual amount exceeds £100,000. The average annual amount required for the sinking fund and the interest of the unconverted portion of the internal debt and for the £1,000,000 external national loan, is £90,000. The instalments are spread from 15 per cent. (5 per cent. on application, and 10 per cent. on allotment) to 15 per cent. on the 31st of March, there being four monthly payments, making the total 60 per cent., the price of issue. Discount at the rate of 6 per cent. per annum will be allowed on payments in full in anticipation.

TENDERS FOR BILLS ON INDIA.

THE biddings for 35,00,000 rupees, in bills on India, took place on the 7th December, at the Bank of England. The proportions allotted were :— To Calcutta, 22,62,000 rupees; to Bombay, 12,00,000 rupees; and to Madras, 38,000 rupees. The minimum price was, as before, 1s. 11½d. on Calcutta and Madras, and 1s. 11½d. on Bombay. The applications within the limits amounted to 223 lacs. Tenders on Calcutta and Madras, at 1s. 11½d., will receive about 9 per cent., and on Bombay, at 2s. 0½d., about 80 per cent. All above these prices in full. Further biddings for 35,00,000 rupees took place on the 21st December. The proportions allotted were —to Calcutta, 17,82,000 rupees; to Bombay, 12,00,000; and to Madras, 5,18,000 rupees. The minimum price was fixed at 1s. 11½d. on Calcutta and Madras, at 1s. 11½d. on Bombay. The applications within the limits amounted to 65 lacs. Tenders on Calcutta and Madras at 1s. 11½d. will receive about 58 per cent., and on Bombay at 2s. 0½d., about 84 per cent., all above these prices in full.

Communications.

BANK CLERKS' SALARIES.

19th December, 1864.

SIR,—The February number of the "*Bankers' Magazine*" contained a valuable suggestion to bank directors from a correspondent, which meets with the unqualified approval of a bank official of eighteen years' standing, in your October number, namely, the payment of bank clerks' salaries *monthly*. I feel sure that bank directors would not hesitate to adopt the suggestion, did they know how many of their employes would be kept from all worry of a pecuniary character (which must be always prejudicial to their employers' interests): for the interests of bank shareholders, directors, and officers in their employ are identical; and if the latter are noted for their strict integrity, high morality, and right-mindedness, the bank shareholder must be a great gainer. As a new year will soon dawn upon us, I trust it will be seen that the subject

has had the consideration of bank directors, both in town and country, for I am perfectly convinced that it is a reform from which every one connected with banks will reap the fruits.

Yours,
AN OLD BANK CLERK.

THE NEW BANKS.

SIR,—Can any of your readers furnish me with an explanation of an item frequently to be seen in the balance-sheets of new banks, viz., “Stamps in hand,” in amounts varying from £400 to £500.

I have been connected for many years with an old-fashioned joint-stock bank in a manufacturing district, doing a large business, and I can only say that neither stamps nor stationery ever appear in a balance-sheet as an asset, but have been always charged to profit and loss as soon as paid for; and also that the amount of such payments is never at any time half such a sum as generally quoted.

I can only suppose the stamps consist of unused cheques and drafts. Is it so?

Your obedient Servant,
AN UNLIMITED BANKER.

Leicester, 20 December, 1864.

CHEQUE PAYABLE TO ORDER.

SIR,—May I beg the favour of a reply to the following question in your next number:—

Would a banker be justified in refusing to honour a cheque payable to “order” having a memorandum of horse-warranty written on the back by the drawer, who intended that the endorsement of the payee should be a completion of it, but the latter had cancelled the memorandum and endorsed the cheque in the usual manner only; the reason given by the banker for the dishonour being, that the cheque was issued on a condition which the payee had not fulfilled, and the drawer’s consent was necessary to such non-fulfilment. It is assumed that the payee himself presents the cheque, and not a third party.

I am, yours faithfully,
C.

[We think the banker was not justified in refusing to pay, if the cheque were regularly endorsed, unless he had notice from the drawer that the warranty must also be signed.]

BANK OF ENGLAND NOTES.

Sir,—While thanking you for your reply to my note published in the last number of the Banker’s Magazine, I may, perhaps, be allowed to express my surprise at its tenour, for in the “Law of Banking” by J. W. Smith, LL.D., (one of Wilson’s legal handy-books), published in 1859, it is stated, page 18:—

“Where a note or half note is lost or destroyed, payment of it, if refused, may nevertheless be compelled by bringing an action at law upon
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it (as it may in the case of any other lost negociable instrument), and a judge may order that the loss is not to be set up as a defence to the action, upon an indemnity being given to his satisfaction against the claims of any other person upon the bill."

If you consider that this was the law in 1859 will you be so obliging as to say whether it has been altered by a subsequent decision?

The great importance of the question at issue must be my apology for thus troubling you.

I am, Sir,

Your obedient servant,

A. B.

Dec. 16, 1864.

[The Editor of the "Handy Book" referred to, appears to have gone beyond the decision of Lord Ellenborough and the Act 17th and 18th Vict., c. 125, sec. 87, for, while that learned judge, in the case of *Mayor v. Johnson*, decided that the holder of a lost half note could not recover, the Act in question refers only to lost bills or other negotiable instruments, and not to parts of such instruments. The subjoined extract is from the large work on Mercantile Law by John William Smith, continued by Dowdeswell, the same doctrine is laid down by Mr. Justice Byles, in his leading work on Bills, &c. (8th Edition, 1862), and, however much the commentators on Lord Ellenborough's decision may doubt whether it would be upheld if the issue were now raised, it appears to be the law until reversed.

"So, if a bill or note transferable by delivery be cut in halves, and half be lost, it has been held that the holder cannot sue at law upon the other half. In Bayley on Bills of Exchange, it is remarked that Lord Ellenborough assigned as a reason for the decision in this case, that the other half might have immediately got into the hands of a bona fide holder for value, and he would have as good a right of suit on that as the plaintiffs on the other half, which afterwards reached them, but the maker of a promissory note cannot be liable in respect of it to two parties at the same time," and the learned author adds, "But quære whether a man who takes half a note does not take it at his peril." There seems good reason for the doubt implied in this quære; and the case of *Mayor v. Johnson* may be considered open to review."—Smith's Mercantile Law, 6th edition, page 284.]

DECEASED ACCOUNT.

SIR,—Is a banker legally bound to honour a deceased customer's cheque, the banker having sufficient funds at the drawer's credit to meet it, the drawer having died in the interim of the date of the cheque and its being presented at his banker's for payment? I shall esteem your reply to the foregoing question a great favour.—I am, Sir your most obedient servant,

December 8th.

ALPHA.

[No; he is not justified in paying the cheque of a deceased person after knowledge of the death.]

CIRCULATION OF A PRIVATE COUNTRY BANK.

SIR,—Can a joint-stock bank having no cash note circulation of its own, legally issue the cash notes of its neighbour—a private country bank—whose circulation is below its limit? Z.

[We are not aware of any legal impediment.]

AD VALOREM STAMPS.

SIR,—Would you in your next issue kindly supply the following information, viz.:—Whether an inland bill drawn after date upon an ad valorem stamp, but negotiated abroad, also requires the ad valorem foreign stamp! Also, whether bankers' drafts (not in sets) upon which the composition duty is paid, are liable to advalorem foreign stamps if negotiated abroad!—I remain, Sir, yours most obediently,

Newcastle, Dec. 13th, 1864.

B.

[Inland bills duly stamped do not require foreign stamps when negotiated abroad, nor do bankers' drafts upon which composition is paid.

Cheques or drafts on demand bearing only 1d. stamp do, however, require a foreign stamp].

CROSSED CHEQUES.

SIR,—Would you oblige by informing me whether I do right in refusing to cash a cheque presented at the counter crossed with two transverse lines without the words and company or any abbreviation thereof?—I am, Sir, your obedient servant, TELLER.

[We think you do; the words "and Co." are essential to the crossing].

ENDORSED CHEQUE.

SIR,—In your number for September last, you say, at page 904, that "in an action upon a cheque endorsed 'per pro.' it was held that the banker was justified in paying."

Would you oblige me by stating, in your next number, when and in what court the action was tried; who were the parties to it; and in what publication the case will be found reported.

I am, Sir, yours respectfully,

December 22nd, 1864.

H. H.

[The action referred to was *Cuthbert v. Bank of England*, tried before Mr. Baron Martin, about four or five years ago, but we cannot find it reported.]

CHRISTMAS GRATUITIES TO CLERKS.

THE directors of the National Provincial Bank of England have issued the following circular to the whole of their branches, announcing a bonus and an extra gratuity on the salaries of their officers and clerks for the year 1864. This is a most satisfactory proceeding, and is worthy of imitation by the majority of the other banking institutions throughout the country.

"National Provincial Bank of England,
112, Bishopsgate Street, Dec. 24.

"Sir,—We have much pleasure in informing you, that the board of directors have to-day again ordered a bonus of 10 per cent. to be presented

to the officers and clerks of the company upon their salaries for the year 1864. And we have further to state to you that the directors having taken into consideration the many circumstances which mark the closing year as a very exceptional one in the matter of banking profits, have been pleased on this occasion to make a special grant of money for distribution amongst them, which will allow of a further gratuity of 5 per cent. being paid upon their salaries.

We are, your obedient servants,
 "ALEXANDER ROBINSON, } Joint General
 "EDWARD ATKINSON, } Managers."

On the eve of Christmas the directors of the London and County Bank distributed to the several officers engaged in the service of the bank £10 per cent. on the amount of their respective salaries, with the addition of 5s. per cent. in respect of every clear year of service, to mark their appreciation of continued attachment to the bank.

[We hope to have many more such announcements to make in the course of the next month.—*Ed. Bankers' Magazine.*]

LONDON AND BRAZILIAN BANK.

THE directors of the London and Brazilian Bank have issued their report preparatory to the approaching meeting. The net profits for the half-year ending the 30th June amount to £24,704, and considering the rate of interest on this side the directors trust the result of the six months' operations will be satisfactory to their co-proprietors. Out of the above sum it is proposed to pay a dividend, free of income tax, of £1. 4s. per share, amounting to £15,600 (equal to interest on paid-up capital after the rate of 6 per cent. per annum), and to carry forward the balance of £9,104 to the next account. The intention of the directors was to have recommended an increased dividend, but in consequence of the late important failures at Rio de Janeiro it is deemed more prudent to carry over a large balance, and to make the distribution proposed. The opportune arrival in England of Mr. Saunders from the Rio branch, simultaneously with the announcement of the severe crisis in that city, not only, it is stated, afforded the directors the gratifying intelligence of the satisfactory position of that branch, but also that the losses were likely to be much less than at first anticipated. And there is every reason to hope that these will be more than compensated by diminished competition and the general improvement of business. By the last advices from the branches it appears the operations are progressing most satisfactorily. There is also a steady increase of business in Portugal.

Estates of Failed Firms.

THE ESTATE OF MESSRS. EARLY AND SMITH.

MESSRS. COLEMAN, TURQUAND, YOUNGS AND CO. have issued a circular with an approximate statement of the affairs of Messrs. Early and Smith. The amount of debts and liabilities is £81,369, and the assets £28,079. The firm have been engaged in transactions with the Confederate States

and also with the Leeds Banking Company. Respecting the liquidation the following is the statement in the circular :—

“We are requested by the inspectors to forward you the annexed statement of the affairs of this firm, and to inform you that part of the stock has been sold from the premises in the usual course, and the remainder at discounts ranging from 20 to 25 per cent., payable one-fourth part in cash, one-fourth within one month from this date, and the remainder at six months. We may add that in consequence of the imperfect state of the books, more particularly the cash account, we have been engaged in an examination thereof on behalf of the Leeds Banking Company, who have the largest interest in the estate. Prior to the payment of a dividend, which we have no doubt may be declared in the course of next month, we shall be glad to receive a statement of your claim.”

THE ESTATE OF WILLIAM VILCHES.

At a meeting, on the 27th November, of creditors of Mr. William Vilches, of 75, Mark Lane, merchant, a statement was submitted for consideration. It appeared that the liabilities amount to £27,027, with assets expected to realise £2,869. The failure, it was said, was mainly attributable to Mr. Vilches having made himself responsible to the extent of £13,607 on behalf of E. P. Gonzalez, and Younger and Co. Gonzalez had a contract with the Spanish Government, and Mr. Vilches, having previously had business relations with him, was induced to assist him in completing it. Younger and Co. were bankers at Cadiz, and have recently suspended payment, and Gonzalez also has failed. In January last Mr. Vilches possessed a surplus of £1,648, and the deficiency of £24,158 appearing on the statement has consequently arisen between that time and the 26th of October, the date of the suspension. A proposition to wind up the estate under inspection, and pay a composition of 2s. 6d. in the pound by instalments, was made, but it was ultimately resolved that the meeting should be adjourned for seven days, in order that further investigation might take place to ascertain whether a better offer could not be presented.

THE ESTATE OF MESSRS. BROWN, BUCKLEY & Co.

At a meeting of the creditors of Messrs. Brown, Buckley and Co. held on the 28th November, at the offices of Messrs. Quilter, Ball and Co., the following resolution was passed :—“That as the accounts presented to this meeting leave no doubt that Messrs. Brown, Buckley and Co. will, at an early period, be in a situation to pay their creditors 20s. in the pound, they be requested to wind up their estate, and to pay as soon as possible the debts due from them to their creditors, it being understood that 10s. in the pound be paid forthwith.”

THE ESTATE OF MESSRS. JOHN M'CALL & CO.

A MEETING of the creditors of Messrs. John M'Call and Co., engaged in the provision trade, was held on the 1st December, when the statement of accounts, presented by Mr. J. E. Coleman, of the firm of Messrs. Turquand, Younger and Co., showed debts and liabilities of £31,764, and assets of £15,486. An offer of 10s. in the pound was proposed, and carried unanimously, most of the creditors present at once signing. The arrangement is to be made by instalments of 2s. 6d. each, at one, four, eight, and twelve months.

THE ESTATE OF MR. C. WILSON.

THE creditors of Mr. C. Wilson, importer of silk, met on the 1st December, when the statement of accounts, prepared by Messrs. Lovering and Kinton, showed debts and liabilities £25,249, and assets £21,660. After some discussion it was arranged to accept a composition in cash of 11s. 6d. in the pound.

THE ESTATE OF MESSRS. EYLES, EVANS & CO.

A MEETING of the creditors of Messrs. Eyles, Evans, Hands, and Wells, who suspended on the 3rd, was held on the 22nd December, showing liabilities £81,353, and assets £59,205. Mr. White, the accountant, explained at considerable length the present position of the estate and the cause which had led to the failure. Sympathy was expressed for the firm, and an adjournment was agreed upon to enable the creditors to consider the offer that was made of 10s. in the pound by three equal instalments, at four, eight, and twelve months. Eventually an offer of 11s. in the pound was accepted.

THE ESTATE OF MR. HENRY GURNEY.

At a meeting of the creditors of Mr. Henry Gurney, held at Birmingham on the 23rd December, it was resolved to wind up the estate under a deed of assignment. A statement of affairs, prepared by Messrs. Cooper Brothers and Co., showing liabilities £60,000, against assets estimated at £24,000, was submitted.

THE ESTATE OF MESSRS. W. J. MORGAN & Co.

A MEETING of the creditors of Mr. W. J. Morgan, trading under the title of W. J. Morgan and Co., of Leadenhall Street, was held on the 25th December, when the balance-sheet, presented by Mr. J. J. Saffery, accountant, showed debts and liabilities of £14,781, and assets £10,188. The difficulties of the debtor, who returned a year ago from India with a fair capital, have been occasioned by the late fluctuations in cotton. It was arranged to take an assignment.

THE CITY BROKERS.

THE committee of Brokers who are acting for the members of the Stock Exchange not sworn brokers, who have received a notice from the solicitor to the corporation of the City of London calling attention to the penalties they incur by acting as brokers without a licence from the corporation, met again to-day in the rooms of the official assignees in the Stock Exchange, when it was arranged that they should take measures to protect the members. Whilst many object on principle to the payment of any sum to the corporation of London there are others who would willingly discharge the annual £5 provided the oath were modified and some of the objectionable clauses swept away. The Committee of Brokers will bring the matter prominently before the committee for general purposes, in the hope that they may be induced to take such steps as may appear expedient under the anomalous circumstances of the case.

Note of the Month.

DEATH OF SIR WILLIAM BERKELEY CALL, BART.—The death of this gentleman, a partner in the banking-house of Call, Marten, and Co., Old Bond street, took place on the 23rd December, at his residence, Bond street. The deceased Sir William was born in 1815, and succeeded to the baronetcy in 1851; in 1841 he married the daughter of the late C. W. Gardiner, Esq., of Coombe Lodge, Oxon, by whom he has left a son and two daughters.

BANKING OBITUARY.

On the 27th Nov., in Paris, Robert Williamson, Esq., of Scarborough, chairman of the York City and County Bank, aged 57.

On the 6th December, at Athol Place, Glasgow, Mr. William Johnston, of Glenorchard, Stirlingshire, agent for the Commercial Bank Glasgow, aged 58.

On the 23rd December.—At his residence Bond Street, Sir William Berkeley Call, Bart., partner in the bank of Messrs. Call, Marten, & Co., aged 49.

MERCANTILE SUSPENSIONS.

The following mercantile suspensions were announced during the month of December :—

Messrs. Wilson, Bowles & Co., London, East India merchants.

Messrs. Eyles, Evans & Co., London, silk trade.

Messrs. Hutter, Droughet & Co., London, merchants.

Messrs. Sterling, Gordon & Co., Glasgow, merchants.

Messrs. Berger Brothers, London, metal brokers.

Mr. Henry Gurney, Birmingham, timber dealer.

Mr. E. Lloyd, Birmingham, foreign timber trade.

Messrs. Hill & Weguelin, London, Russian merchants.

Messrs. Edward De Coster & Co., London, Brazilian trade.

Messrs. Grundler, Ormond & Co., London, Italian, and Spanish trades.

Messrs. Perry & Waagen, London, commission agents.

MONTHLY CHRONOLOGY.

Dec. 2.—Suspension announced of Messrs. Wilson, Bowles and Co., of Mincing Lane, East India merchants, with liabilities reaching to about £250,000.

3.—Failure of Messrs. Eyles, Evans and Co., of Cannon Street West, in the silk trade, with debts to the amount of £100,000.

5.—Stoppage of Messrs. Hutter, Droughet and Co., of Gracechurch Street, merchants, with £30,000 liabilities.

8.—The Directors of the Bank of France reduced their rate of discount from 6 to 5 per cent.

10.—The Directors of the Bank of Frankfort reduced their rate of discount to 5 per cent.

12.—Suspension of Messrs. Sterling, Gordon and Co., of Glasgow, merchants, with £180,000 liabilities.

15.—The Directors of the Bank of England reduced their rate of discount from 7 to 6 per cent.

15.—Failure of Messrs. Berger Brothers, London, metal brokers. Liabilities not stated.

22.—The Directors of the Bank of France further reduced their rate of discount from 5 to 4½ per cent.

22.—The Bank of Holland reduced its rate of discount from 6½ to 6 per cent.

22.—Suspension announced of Mr. Henry Gurney, of Birmingham, timber dealer.

23.—Failure of Mr. E. Lloyd, of Birmingham, in the foreign timber trade.

27.—Suspension of Messrs. Hill and Weguelin, of Alderman's Walk, Russian merchants, with debts extending to £130,000.

27.—Suspension of Messrs. Edward De Coster and Co., London, in the Brazilian trade, with £60,000 liabilities.

27.—Failure of Messrs. Grundler, Ormond and Co., of London, in the Italian and Spanish trades. Debts, £20,000.

27.—Stoppage of Messrs. Perry and Waagen, commission agents. Liabilities about £12,000.

BANK MOVEMENTS.

Mr. Henry Worms has joined the direction of the Land Mortgage Bank of India.

At the meeting of the London and Northern Bank, resolutions were passed for an amalgamation with the Midland Banking Company.

Mr. Coleman, one of the official liquidators of the Northumberland and Durham District Bank, having obtained the sanction of the Vice Chancellor Kindersley to pay a further dividend of 1s. in the pound, it was paid on the 20th and 21st December at Newcastle, thus making the aggregate amount of dividends 19s. 6d. in the pound.

A further dividend of 5s. in the pound, making with former dividend 15s. in the pound, has been paid by Mr. William Turquand, the official liquidator of the Herefordshire Banking Company.

Monetary Intelligence.

MONETARY REVIEW FOR THE MONTH OF DECEMBER.

There has been a great change for the better in the appearance of financial affairs within the last three weeks or a month. The reduction by the Bank of England of the rate of discount from 7 to 6 per cent., and by the Bank of France from 6 to 5, and then to $4\frac{1}{2}$ per cent., are circumstances which have done much to give confidence to the public. The influx of specie from America and the East Indies, the contraction of engagements, and the disposition to repress speculative adventure could not fail at length to exercise their effects, and now the results are seen in full working force. The only cause for a demand for money at the present moment is the necessity for providing for the holidays, and the engagements falling due at the end of the year. In this respect the inquiry will no doubt continue until the 4th of January, and from that date forward we may reasonably calculate upon a better state of things. The talk of a prospect of large remittances being made to Egypt has proved incorrect; some quantities of sovereigns have gone, but not in the proportion expected, and it is believed that no further large totals will be required before February or March at the earliest.

The market for English securities has not varied in any important degree. There was at one moment a decline through pressure of sales, but when money became more abundant, greater activity was manifested. Latterly a decided recovery has taken place and prices have rallied, leaving off at the end of the month at their best. Some good purchases of Consols have recently been effected on behalf of insurance and other companies having balances to employ.

Foreign stocks have not largely fluctuated. After being dull with a partial depression a recovery has taken place, leaving prices in a better position than they were before. The market it was thought would be heavy at the middle of the month, but the tendency is now evidently in the right direction. At the commencement of the year it is highly probable we shall see fresh indications of active speculation. Spanish, Mexican, and Greek will again come into vogue.

The railway market was better, but there was no great rise in prices. It is expected that this description of property will come into greater repute after the half-yearly reports shall have been published. The increase of traffic, the economical working of the lines, and the great competition exhibited by directors will, it is believed, assist largely to sustain dividends. Indian and foreign railway shares have been amazingly well sustained.

Bank, credit, and finance shares have been quiet. They have shown a fair amount of business with very steady prices, but there has been no general advance. The operators are waiting for some intimations with respect to dividends, and if these shall be encouraging, then a general advance will ensue.

The produce markets have been better, but there is yet great absence of activity. At the opening of business subsequently to the holidays, we may look for partial animation.

THE GRAIN TRADE.

There has not been any material alteration in the Grain Trade during the past month, as regards the extent of business, but prices have throughout had a slightly declining tendency. Good dry samples of wheat have been rather more in request, but the supply has been ample. There has been a fair market for barley, at rather steadier quotations. Oats, beans, and peas, have not been quite so much inquired after, and prices have become weakened. The latest official average quotations were:—Wheat, 38s. 1d. per qr.; barley, 28s. 4d.; oats, 19s. 9d.; rye, 29s. 1d.; beans, 37s. 2d.; and peas, 35s. 3d. per qr.

The Gazette returns for England and Wales have been:—

Week ending, 1884,	Wheat. Qrs. sold.	Weekly Average.	Six Weeks' Average.	Duty.	Corresponding Six Weeks Last Year.
		s. d.	s. d.	s. d.	s. d.
Nov. 26	170,836	38 8	38 9	1 0	40 0
Dec. 3	101,757	38 5	38 9	1 0	40 1
„ 10	96,245	38 4	38 8	1 0	40 4
„ 17	96,985	38 1	38 6	1 0	40 6

The importations since the harvest of 1864 have been:—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Eighteen weeks ended 19th Nov. ...	7,967,603	9,300,076	17,267,679
Four weeks ended 17th Dec. ...	1,176,526	1,791,248	2,967,774
	9,144,129	11,091,324	20,235,453

And the weekly averages have been:—

	Wheat.	Other Grain.	Total.
Eighteen weeks ended 19th Nov. ...	442,000	517,000	959,000
Four weeks ended 17th Dec. ..	294,000	447,000	741,000
	Less 148,000	70,000	218,000

STATE OF TRADE.

The state of trade has rather improved during the last month, but still there is no general activity. Everyone is awaiting the commencement of the new year for a full resumption of business.

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February and August, instead as formerly in May and November. This has been rendered necessary by the great increase of the meetings of the Banks and Discount Companies, which will be always carefully collected in the pages of the *Bankers' Magazine*. We shall also give the proceedings of the various Credit and Finance Companies as they are more or less associated with banking, so that our subscribers and readers can refer to them without difficulty. Correspondents will please forward communications addressed to the Editor, No. 8, Birchling Lane; subscriptions and orders as usual to Messrs. Groombridge and Sons, Paternoster Row, or Messrs. Waterlow and Sons, Carpenters' Hall, London Wall.

BANCO. (Liverpool.)—The legal tender in silver is to the extent of 40s.

SUBSCRIBER.—We know of no work on progressive Banking Book Keeping. The Joint Stock Companies Directory for 1885, just issued by Messrs. Charles Barker and Sons, will give the whole of the information required.

BANKING AND FINANCIAL ANECDOTES.—It will be perceived from notice elsewhere, that the Editor of the *Bankers' Magazine* is collecting and arranging a series of Banking and Financial Anecdotes. Any contributions from subscribers and readers of the *Magazine* will be thankfully received, particularly if the subject matter shall not have previously appeared in print. Nothing very personal or offensive will receive publicity.

BANK OF FRANCE. **DEBTOR.**

	December 1.		December 8.		December 15.		December 22.	
	F.	C.	F.	C.	F.	C.	F.	C.
Capital of the Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
Profits in addition to Capital (Art. 8, Law of June 9, 1857) ...	6,842,315	98	6,863,421	6	6,893,069	36	6,912,400	91
Reserve of the Bank and its branches ...	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
Reserve in landed property ...	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
Notes in circulation ...	742,316,325	0	722,291,475	0	739,333,135	0	721,497,475	0
Bank-notes to order and receipts payable at sight ...	4,618,144	0	5,865,493	16	5,432,012	87	5,774,783	36
Treasury account current, creditor ...	72,275,531	9	81,189,733	69	93,094,132	63	103,359,256	6
Current accounts, Paris ...	134,081,264	72	156,053,927	43	149,571,991	44	136,032,007	43
Do. branch banks ...	24,235,975	0	22,914,101	0	20,898,501	0	20,194,508	0
Dividends payable ...	2,391,567	75	2,206,198	75	2,058,985	75	1,995,935	75
Discounts and sundry interests ...	19,293,791	88	20,177,994	6	21,023,505	87	21,680,290	29
Re-discounted the last six months ...	2,588,735	17	2,588,735	17	2,588,735	17	2,588,735	17
Sundries ...	13,150,244	6	10,339,379	6	9,715,504	99	9,415,957	45
Total ...	1,232,399,634	92	1,239,076,195	57	1,250,055,304	22	1,237,994,159	61

CREDITOR.

	December 1.		December 8.		December 15.		December 22.	
	F.	C.	F.	C.	F.	C.	F.	C.
Cash in hand and cash in the branch banks	327,719,612	80	355,640,597	15	351,582,024	15	364,009,378	83
Commercial bills overdue ...	20,639,594	63	585,176	34	558,908	39	708,783	66
Commercial bills discounted, not yet due	274,580,429	81	289,478,556	21	301,207,329	87	274,518,191	53
Do. branch banks ...	289,790,364	0	277,444,497	0	235,314,504	0	287,035,195	0
Advances on deposits of bullion ...	19,612,753	95	15,830,653	95	14,078,585	15	13,289,585	15
Do. branch banks ...	4,802,500	0	4,864,910	0	4,990,210	0	4,869,184	0
Do. on French public securities ...	14,979,900	0	14,790,900	0	14,731,400	0	14,687,200	0
Do. by the branch banks	8,369,310	0	8,307,810	0	7,929,060	0	7,595,550	0
Do. on railway shares and debentures ...	25,754,900	0	25,772,700	0	26,030,900	0	26,543,900	0
Do. by the branch banks	17,596,450	0	17,394,250	0	17,074,450	0	16,787,150	0
Do. on Crédit Foncier bonds ...	547,000	0	561,000	0	543,300	0	543,500	0
Do. branches ...	414,450	0	327,890	0	339,050	0	414,750	0
Do. to the State (Convention June 10, 1867)	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
Government stock reserve ...	12,990,750	14	12,980,750	14	12,980,750	14	12,990,750	14
Do. disposable ...	36,696,737	91	36,696,737	91	36,696,737	91	36,696,737	91
Rentes Immobilières (Law of June 9, 1857)	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
Hotel and farm of Bank, and landed property branches ...	8,455,168	0	8,396,495	0	8,330,078	0	8,343,078	0
Expenses of management ...	2,413,907	8	2,460,764	39	2,498,973	49	2,449,239	31
Sundries ...	7,249,806	80	7,574,517	48	5,250,553	12	6,083,115	85
Total ...	1,232,399,634	92	1,239,076,195	57	1,250,055,304	22	1,237,994,159	61

FLUCTUATIONS IN ENGLISH AND FOREIGN STOCKS AND RAILWAY SHARES.

	Price on Nov. 28th.	Highest.	Lowest.	Price on Dec. 27th.
ENGLISH FUNDS.				
Consols	90½ to 91½	89½ xd	88½ xd	89½ to ½ xd
Exchequer Bills	5/ dis.	3 pm.	7/ dis.	2/d.to3pm.
FOREIGN STOCKS.				
Brazilian	—	100½	97½	100
Buenos Ayres	—	94	93½	94
Chilian	—	100	99½	100
Dutch 2½ per cents.	—	63½	62½	63
Mexican	29½	29½	29	29½
Peruvian 4½ per cents.	82½	84	82½	84
Russian	—	89	88½	89
Spanish	—	49	48½	49
Turkish 6 per cents.	88	89	87½	89
Ditto 4 per cents.	100	100½	100	100
RAILWAY SHARES.				
Brighton	106	106	104½	105½
Caledonian	132	133½	130	131½
Great Eastern	48½	48½	47½	47½
Great Northern	132	135½	132	134½
Great Western	78½	79½	77½	79½
Lancashire and Yorkshire	116½	117½	114½	117
London and North Western	119	121½	117½	121
Midland	137½	140½	136	140½
North Staffordshire	79	80½	79	80½
South Eastern	85½	86½	84½	86½
South Western	97½	98½	97	97
York, Newcastle, and Berwick	114	115½	103	114
York and North Midland	103½	104½	103	104½
East Indian	104	104½	103½	104½
Northern of France	—	39½	39	39½

CREDIT, FINANCE AND DISCOUNT COMPANIES.

	Share.	Paid.	London latest Prices.		Share.	Paid.	London latest Prices.
Australian Mortgage, Land and Finance (Lim.)	25	5	8	International Contract	50	5	...
Consolidated Discount (Lim.)	50	10	7	International Land Credit	20	6	5½
Contract Corporation (Lim.)	100	3	1½	Joint Stock Discount (Lim.)	25	10	9½
Crédit Foncier of Mauritius (Limited)	50	10	7	Land Credit of Ireland	50	5	...
Crédit Foncier and Mobilier of England	20	5	8	Land Securities	50	5	4½
Ditto	20	2	5½	London Financial Associa- tion (Lim.)	50	15	24½
Discount Corporation (Lim.)	100	17	14½	Ditto, New	50	15	24
East India Financial	50	5	...	London Mercantile Discount Mauritius Land, Credit and Agency (Lim.)	20	2	3½
Egyptian Commercial and Trading	20	4	5½	National Discount Co. (Lim.)	25	5	16½
English and Foreign Credit Financial Corporation	100	1½	1½	National Financial (Lim.)	50	5	4
Financial Discount (Lim.)	50	10	5	Oriental Financial	50	10	6
General Credit and Finance of London (Lim.)	23	4	6½	Ottoman Financial Associa- tion (Lim.)	50	10	7
International Financial Society (Lim.)	20	5	7½	Société Financière d'Egypte (Lim.)	20	5	4½
Imperial and Mercantile Credit (Lim.)	50	5	8½	South African Mortgage and Investment (Lim.)	50	5	5
				Warrant Finance (Lim.)	50	13	9½

JOINT-STOCK BANKS.

	Share.	Paid.	London latest Prices
	£	£	£
Agre and Masterman's, Limited	100	50	136
Ditto, New, issued at 30 pm.	50	25	64½
Ditto, issued at 30 pm. of which £20 is paid	50	25	...
Adyon	50	5	4
Alliance Bank of London and Liverpool, Limited	100	25	35½
Ditto, New	100	25	34½
Ditto, issued at 30 pm.	100	10	19
Anglo Austrian Bank	30	6	6½
Anglo-Italian (Lim.)	50	10	8½
Bank of Australasia	40	40	70
Ditto, New	40	40	66
Bank of Egypt	25	25	30
Bank of London	100	50	168
Do. New, issued at £70 pm.	100	30	...
Bank of Otago (Limited)	30	6	6½
Bank of Queensland, Limited	100	20	17
British & Californian (Lim.)	60	5	8½
Bank of Wales	100	20	15
Bank of New Zealand	10	9	16
Bank of Victoria, Australia	50	25	58
Brazilian & Portuguese (Lim.)	20	10	10½
British North American	50	50	48½
Chartered Bank of British Columbia	20	15	17½
Chartered Bank of India, Australia and China	20	20	35
Chartered Mercantile Bank of India, London & China	25	25	63
Ditto, New	25	12½	...
City Bank	100	50	126
Colonial Bank	100	25	43½
Commercial Bank of Canada	20	20	...
Commercial Bank of India and the East	25	25	...
Ditto, issued at 10 pm., of which 15 paid	25	15	27½
Ditto, issued at par	25	15	...
Consolidated Bank (Lim.)	10	4	11½
Continental	100	25	20
Ditto, New	100	10	5
East London (Lim.)	50	5	6½
Eastern Exchange	20	3	2½
English, Scottish and Australian Chartered Bank	30	20	20½
English and Swedish (Lim.)	50	15	13½
European Bank (Limited)	50	15	13½
Hindustan, China and Japan, Limited	100	25	30½
Ditto, issued at 2 pm.	100	18	23
Do. New, issued at 6 pm., of which 1 is paid	100	10	8
Imperial (Limited)	100	20	33½
Ditto, New, issued at 4 pm.	100	20	33½
Imperial Ottoman	20	10	17
International Bank, Limited	50	15	10½
London	25	25	...
Ditto, New	25	5	...

	Share.	Paid.	London latest Prices
	£	£	£
Land Mortgage Bk. of India	20	4	4½
London Bank of Mexico and South America (Limited)	50	5	7½
London Bank of Scotland (Lim.)	100	13	10
London and Brazilian Bank	100	40	45½
London, Birmingham & Stth. Staffordshire (Limited)	100	23	17
London, Buenos Ayres and River Plate, Limited	100	40	53
Ditto, New, issued at 1½ pm.	25	7½	10
London Chartered of Australia	20	20	25
London and County Bank	50	20	81½
London, Hamburg, Cont. Exchange (Lim.)	100	18	11
London Joint Stock Bank	50	10	50½
Ditto, New, issued at 30 pm.	50	20	...
London and Northern (Lim.)	100	25	15
London & South African Bk.	20	20	23
London and South Western (Limited)	100	20	22
London and Venezuela (Lim.)	50	10	8
London & Westminster Bank	100	20	98½
Mercantile Bank (Limited)	100	23½	29
Mercantile Exchange (Lim.)	50	10	10
Ditto, New, issued at 2 pm.	50	10	10
Metropolitan and Provincial Bank, Limited	100	20	16½
Ditto, New	100	10	...
Midland Bank (Limited)	100	20	20
National Bank	50	30	...
Ditto, New	50	15	...
National of Liverpool (Lim.)	100	10	18½
National Provincial Bank of England	100	42	...
Ditto, New	20	12	...
Ditto, ditto	20	10	...
New South Wales	20	20	46
Ditto, New, issued at £28. 13s. 4d. pm.	20	20	...
New Zealand Bank Corporation (Limited)	10	1	1½xd
North Western	20	5	10
Oriental Bank	25	25	57
Provincial Banking Corporation	50	5	3
Provincial Bank of Ireland	100	25	89
Ditto, New	10	10	...
Scinde, Punjab and Delhi (Limited)	20	10	11
Ditto, issued at 2 pm.	20	2	...
South Australian	25	25	36
South Eastern (Lim.)	25	10	11½
Standard of British Africa (Limited)	100	25	24xd
Ditto ditto	100	25	24
Union Bank of Australia	25	25	54
Union Bank of Ireland, Lim.	100	22	20
Union Bank of London	50	15	57½

Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows: —

ISSUE DEPARTMENT.

	1864. Nov. 30.	1864. Dec. 7.	1864. Dec. 14.	1864. Dec. 21.
	£	£	£	£
Notes issued	27,855,260	27,741,515	28,004,075	28,174,930
Government debentures	11,015,100	11,015,100	11,015,100	11,015,100
Other securities	3,634,900	3,634,900	3,634,900	3,634,900
Gold coin and bullion	13,205,260	13,091,515	13,364,075	13,524,930
Silver bullion				
	27,855,260	27,741,515	28,004,075	28,174,930

BANKING DEPARTMENT.

	1864. Nov. 30.	1864. Dec. 7.	1864. Dec. 14.	1864. Dec. 21.
	£	£	£	£
Proprietors' capital	14,553,000	14,553,000	14,553,000	14,553,000
Reserve	3,246,211	3,313,944	3,325,294	3,342,357
Public deposits (including Exchequer Savings Bank, Commissioners of National Debt, and Dividend Accounts)	6,301,202	6,469,544	7,161,719	7,694,616
Other Deposits	13,272,161	13,066,764	12,267,474	12,927,907
Seven day and other bills	507,955	475,906	491,117	451,577
	37,920,529	37,478,158	37,798,604	38,969,357
Government Securities (including Dead Weight Annuities)	10,474,542	10,474,542	10,474,542	10,474,542
Other Securities	18,629,163	18,155,132	17,730,068	18,754,468
Notes	8,032,180	8,099,305	8,825,380	8,957,500
Gold and Silver coin	794,664	749,179	769,636	782,630
	37,920,529	37,478,158	37,798,604	38,969,357

THE EXCHANGES.

	Dec. 2.	Dec. 9.	Dec. 16.	Dec. 23.
Amsterdam, short	11 16	11 16	11 15½	11 15
Ditto 3 months	11 19½	11 19½	11 19	11 18½
Rotterdam, ditto	12 19½	11 19½	11 19	11 18½
Antwerp, ditto	25 62½	25 62½	25 57½	25 57½
Brussels, ditto	25 62½	25 62½	25 57½	25 57½
Hamburg, ditto	13 8½	13 8½	13 8	13 8
Paris, short	25 22½	25 25	25 20	25 22½
Paris, 3 months	25 60	25 60	25 57½	25 55
Marseilles, ditto	25 62½	25 60	25 57½	25 57½
Frankfort, ditto	120½	120½	120½	120½
Vienna, ditto	12 10	12 15	12 12½	12 10
Trieste, ditto	12 10	12 16	12 12½	12 10
Petersburgh, ditto	29½	31½	30½	29½
Madrid, ditto	46½	46½	46½	46½
Cadix, ditto	47½	47½	47½	47½
Leghorn, ditto	25 75	25 77½	25 77½	25 75
Milan	25 75	25 77½	25 77½	25 75
Genoa, ditto	25 75	25 77½	25 75	25 75
Naples, ditto	25 75	25 77½	25 75	25 75
Palermo, ditto	25 77½	25 77½	25 75	25 75
Messina, ditto	25 77½	25 77½	25 75	25 75
Lisbon	51½	51½	51½	51½
Oporto	51½	51½	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard)	3 17 9	3 17 9	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0	0 0 0	0 0 0
Silver in Bars (Standard)	0 0 0	0 5 1½	0 0 0	0 0 0

Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Nov. 19.	Nov. 26.	Dec. 3.	Dec. 10.
	£	£	£	£	£
1 Ashford Bank	11,849	12,579	11,795	10,792	12,086
2 Aylesbury Old Bank	48,461	23,450	22,835	22,460	22,072
3 Baldoek and Biggleswade Bank ...	37,223	19,667	18,857	18,171	18,301
4 Barnstable Bank	17,182	4,095	3,936	3,724	3,678
5 Bedford Bank	34,218	28,742	27,379	27,080	26,840
6 Bicester and Oxfordshire Bank ...	27,090	14,075	13,356	13,608	13,780
7 Birmingham Bank—Attwoods & Co.	23,695	22,462	21,643	21,842	20,542
8 Boston Bank—Claypons and Co....	75,069	71,552	72,904	70,236	66,957
9 Boston Bank—Gee and Co.....	15,161	14,825	14,507	14,707	15,165
10 Bridgewater Bank	10,028	6,580	6,458	6,238	5,949
11 Bristol Bank	48,277	20,780	20,958	20,727	20,948
12 Broseley and Bridgenorth Bank ...	26,717	15,829	16,121	14,981	15,209
13 Buckingham Bank.....	29,657	20,029	19,069	20,061	19,687
14 Bury and Suffolk Bank.....	82,362	48,324	46,986	46,632	47,116
15 Banbury Bank	43,457	25,448	25,509	25,665	25,949
16 Banbury Old Bank	55,153	22,880	23,215	22,246	22,324
17 Bedfordshire Leighton Buzzard Bk.	36,829	35,853	35,326	35,604	34,137
18 Birmingham Bk.—Lloyds & Co. ...	38,816	26,155	24,975	25,516	24,501
19 Brecon Old Bank	68,271	48,964	47,778	47,856	49,035
20 Brighton Union Bank	33,794	20,993	20,637	21,405	20,956
21 Burlington and Driffield Bank.....	12,745	12,265	12,571	12,063	11,433
22 Bury St. Edmund's Bank.....	3,201	2,716	2,689	2,848	2,812
23 Cambridge Bk.—Mortlock & Co.	25,744	13,558	13,327	13,236	13,048
24 Cambridge and Cambridgeshire Bk.	49,916	44,630	44,171	44,055	44,705
25 Canterbury Bank	33,671	30,364	29,900	29,791	28,593
26 Carmarthen Bank	23,597	17,794	16,303	15,641	15,506
27 Chertsey Bank	3,436	2,427	2,103	2,237	2,321
28 Colchester Bank	25,082	16,816	15,548	14,955	14,700
29 Colchester and Essex Bank	48,704	26,129	25,130	25,647	25,625
30 Cornish Bank—Tweedy & Co. ...	49,869	28,895	29,053	29,442	29,660
31 Coventry Bank	12,045	4,834	5,027	5,524	5,405
32 City Bank, Exeter.....	21,527	14,405	14,229	13,726	13,831
33 Craven Bank—Alcocks & Co. ...	77,154	74,388	73,957	73,163	70,585
34 Chepstow Old Bank	9,387	6,858	7,034	6,932	6,605
35 Derby Bank—Messrs. Evans & Co.	13,332	8,816	8,763	8,631	8,261
36 Derby Bank—Smith and Co.	41,304	37,639	36,432	36,300	34,091
37 Derby Old Bank	27,237	25,570	25,150	28,065	26,038
38 Devizes and Wiltshire Bank	20,674	6,194	6,312	6,133	5,980
39 Diss Bank	10,657	9,837	9,797	10,168	10,112
40 Doncaster Bank and Retford Bank	77,400	62,638	64,737	62,277	58,776
41 Driffield Bank	86,218	83,341	86,439	82,245	78,359
42 Devonport Bank	10,664	6,804	6,890	6,577	6,354
43 Dorchester Old Bank	48,807	37,462	36,389	34,542	33,779
44 East Cornwall Bk.—Robins & Co.	112,280	87,277	86,113	83,889	87,249
45 East Riding Bank—Bower & Co.	53,392	53,210	54,967	51,969	47,894
46 Essex Bk. & Bishop's Stortford Bk.	69,637	34,091	33,059	34,309	34,221
47 Exeter Bank	37,894	18,928	18,717	18,232	18,012
48 Farnham Bank	14,202	7,689	7,426	6,864	6,569
49 Faversham Bank	6,681	5,205	5,120	4,778	4,526
50 Godalming Bank	6,322	5,373	5,150	4,936	4,785
51 Guildford Bank	14,524	10,464	10,632	10,285	10,266
52 Grantham Bank—Hardy and Co..	30,372	25,849	25,221	25,148	23,917
53 Hull & Kingston-upon-Hull Bank	19,979	17,388	18,036	16,670	16,125
54 Huntingdon Town & County Bank	56,591	36,476	36,367	34,719	33,210
55 Harwich Bank	5,778	4,548	4,408	4,920	4,925
56 Hertfordshire, Hitchin Bank	38,764	32,360	32,597	32,956	33,227
57 Ipswich Bank	21,901	17,021	17,497	17,108	17,063

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Nov. 19.	Nov. 26.	Dec. 3.	Dec. 10.
	£	£	£	£	£
58 Ipswich & Needham Market Bank	80,699	51,218	50,923	50,891	50,386
59 Kentish Bank—Mercer & Co. ...	19,895	19,066	20,138	20,092	18,134
60 Kingston and Radnorshire Bank...	26,050	25,481	24,399	22,812	21,775
61 Knaresborough Old Bank	21,825	21,550	21,591	20,669	19,861
62 Kendal Bank	44,663	43,716	41,581	40,807	39,294
63 Longton Staffordshire Bank	5,624	5,041	4,733	4,823	5,158
64 Leeds Bank	53,357	53,264	53,363	52,826	52,745
65 Leeds Union Bank	37,459	35,887	35,900	36,718	36,210
66 Leicester Bank	32,322	29,754	28,740	27,660	28,452
67 Lewes Old Bank	44,836	29,644	28,920	26,838	25,856
68 Lincoln Bank	100,342	87,453	87,154	87,235	85,411
69 Llandovery Bank & Llandilo Bank	32,945	24,779	22,653	20,519	19,553
70 Loughborough Bank	7,359	7,088	7,081	7,309	7,220
71 Lymington Bank	5,038	3,204	3,225	3,018	2,900
72 Lynn Regis and Lincolnshire Bank	42,817	31,587	31,720	29,973	29,931
73 Lynn Regis and Norfolk Bank ...	13,917	12,450	12,208	12,866	12,793
74 Macclesfield Bank	15,760	12,440	12,420	12,311	11,817
75 Manningtree Bank	7,692	5,330	5,135	5,031	4,920
76 Merionethshire Bank	10,906	7,691	7,685	7,054	6,977
77 Miners' Bank	18,688	17,644	17,833	17,907	19,080
78 Monmouthshire Agricultural and Commercial Bank	29,335	29,545	29,165	27,659	27,939
79 Monmouth Old Bank	16,385	3,887	4,460	4,337	4,040
80 Newark Bank	28,788	23,796	23,427	23,337	24,308
81 Newark and Sleaford Bank	51,615	46,579	47,939	45,884	44,584
82 Newbury Bank	36,787	12,966	12,745	12,872	12,379
83 Newmarket Bank	23,098	17,423	16,541	16,225	15,936
84 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	48,332	48,170	47,961	50,753
85 Norwich and Norfolk Bank	105,519	76,326	74,662	73,738	73,059
86 Nottingham & Nottinghamsh. Bk.	10,866	8,143	8,069	7,968	8,424
87 Naval Bank, Plymouth	27,321	21,311	21,929	22,234	21,654
88 New Sarum Bk.—Pinckneys, Bros.	15,659	6,769	6,778	6,862	6,840
89 Nottingham Bank	31,047	25,918	25,425	24,815	25,375
90 Oswestry Bank	18,471	9,313	9,337	9,578	10,225
91 Oxford Old Bank	34,391	32,210	32,724	33,428	33,516
92 Old Bank, Tonbridge	13,183	11,610	11,327	10,986	11,288
93 Oxfordshire Witney Bank	11,852	9,327	9,607	9,340	8,994
94 Pease's Old Bank, Hull	48,807	46,110	47,353	45,309	44,506
95 Penzance Bank	11,405	9,584	9,318	9,596	9,610
96 Pembrokeshire Bank	12,910	11,500	11,301	10,824	10,790
97 Reading Bank—Simonds & Co....	37,519	25,610	25,335	24,461	23,917
98 Reading Bk.—Stephens, Blandy & Co.	43,271	26,635	26,241	25,590	24,806
99 Richmond Bank, Yorkshire	6,889	7,153	6,725	6,141	5,782
100 Rochdale Bank	5,590	1,447	1,419	1,507	1,410
101 Royston Bank	16,393	10,278	9,505	9,521	9,230
102 Rugby Bank	17,250	9,564	10,095	9,709	9,199
103 Rye Bank	29,864	13,062	12,438	12,125	11,680
104 Saffron Walden & North Essex Bk.	47,646	22,070	21,303	21,308	21,610
105 Salop Bank	22,338	10,740	10,809	10,716	10,075
106 Scarborough Old Bank	24,813	23,827	24,410	23,810	22,137
107 Shrewsbury Old Bank	43,191	35,544	34,656	34,713	34,136
108 Sittingbourne and Milton Bank...	4,789	3,217	3,060	2,991	3,042
109 Southampton Town & County Bk.	18,589	9,000	8,944	9,027	9,206
110 Southwell Bank	14,744	9,070	9,223	9,219	8,909
111 Southampton and Hampshire Bk.	6,770	1,767	1,780	1,735	1,790
112 Stafford Old Bank	14,166	13,527	13,154	12,558	12,026
113 Stafford and Rutland Bank ...	31,858	19,878	18,859	18,299	17,428
114 Shrewsbury and Welsh Pool Bank	25,336	20,179	20,450	20,860	21,080
115 Taunton Bank	29,799	23,176	22,258	22,400	21,386
116 Tavistock Bank	13,421	10,545	9,695	8,990	8,839

NAME OF BANK.	Author- ised Issue.	AVERAGE AMOUNT.			
		Nov. 19.	Nov. 26.	Dec. 3.	Dec. 10.
	£	£	£	£	£
117 Thornbury Bank.....	10,026	7,388	6,868	7,015	7,030
118 Tiverton and Devonshire Bank...	13,470	9,940	9,924	9,817	9,480
119 Thrappstone and Kettering Bank...	11,559	11,000	11,388	11,419	11,327
120 Triag Bank and Chesham Bank..	13,531	11,871	12,709	12,834	12,285
121 Towcester Old Bank	10,801	5,610	5,594	5,424	5,417
122 Union Bank, Cornwall?	17,003	16,143	15,843	16,307	16,579
123 Uxbridge Old Bank	25,136	8,639	8,947	8,548	8,060
124 Wallingford Bank	17,064	5,730	5,702	5,285	5,344
125 Warwick and Warwickshire Bank	30,504	18,455	17,903	17,942	17,224
126 Wellington Bank, Somerset	6,528	2,349	2,197	2,155	2,227
127 West Riding Bank	46,158	39,372	39,404	39,829	37,852
128 Whitby Old Bank	14,258	14,348	14,211	13,572	14,001
129 Winchester, Alresford & Alton Bk.	25,892	11,581	11,618	10,877	10,815
130 Weymouth Old Bank	16,461	15,839	15,615	15,753	15,729
131 Wirsworth and Derbyshire Bk.	37,602	34,594	34,563	34,862	34,539
132 Wirksworth and Lincolnshire Bank	59,713	40,660	39,384	38,524	39,414
133 Wiveliscombe Bank.....	7,602	4,006	4,065	3,921	3,885
134 Worcester Old Bank	87,448	55,166	52,833	51,202	51,657
135 Wolverham. Bk.—R. & W. Fryer	11,867	10,928	10,547	9,870	10,010
136 Yarmouth and Suffolk Bank.....	53,060	37,341	37,115	37,737	37,992
137 Yarmouth, Norfolk, & Suffolk Bk.	13,229	8,321	8,063	8,046	8,390
138 York Bank	46,387	42,016	41,580	41,629	39,429

JOINT STOCK BANKS.

1 Bank of Westmoreland.....	12,225	11,611	10,770	10,113	9,975
2 Barnsley Banking Company	9,563	8,806	8,670	8,868	8,445
3 Bradford Banking Company	49,292	49,040	49,463	48,575	47,455
4 Elston District Banking Company	9,418	8,948	9,152	9,712	9,435
5 Bank of Whitehaven.....	32,681	28,380	28,465	27,665	27,314
6 Bradford Commercial Banking Co.	20,084	19,040	19,304	18,865	18,839
7 Barton, Uttoxeter, and Staffordshire Union Banking Co.	60,701	43,652	42,486	45,161	44,066
8 Chesterfield & N. Derbysh Bk. Co.	10,421	8,706	8,616	9,030	8,710
9 Cumberland Union Banking Co....	35,395	34,879	32,902	31,729	30,471
10 Coventry and Warwickshire Bk. Co.	28,734	15,450	15,325	14,812	15,338
11 Coventry Union Banking Company	16,251	12,104	11,932	12,295	13,020
12 County of Gloucester Banking Co.	44,352	96,495	95,795	97,583	97,852
13 Carlisle & Cumberland Banking Co.	25,610	25,255	24,095	22,310	21,223
14 Carlisle City and District Bank ...	19,972	20,040	19,417	19,646	19,081
15 Dudley & West Bromwich Bk. Co.	37,696	28,544	29,203	29,080	29,439
16 Derby and Derbyshire Banking Co.	20,093	19,037	19,123	19,360	18,735
17 Darlington Dist. Joint Stock Bk. Co.	26,134	25,266	25,090	24,236	23,004
18 Gloucestershire Banking Company	55,920	139,556	135,129	135,680	133,911
19 Halifax Joint Stock Bank.....	18,534	17,429	17,071	17,255	16,923
20 Huddersfield Banking Company...	37,354	30,728	29,855	29,116	28,329
21 Hull Banking Company	29,333	28,920	30,363	29,012	27,093
22 Halifax Commercial Banking Co...	13,733	9,992	9,829	9,748	9,196
23 Halifax & Huddersfield Union Bk.	44,137	31,636	31,220	30,271	29,302
24 Helston Banking Company	1,503	1,504	1,506	1,499	1,450
25 Kareshorough and Claro Bk. Co.	28,059	27,845	28,717	27,858	25,829
26 Lancaster Banking Company	64,311	57,256	55,322	53,323	51,003
27 Leicestershire Banking Company...	86,060	56,796	55,670	55,244	56,577
28 Lincoln and Lindsey Banking Co.	51,620	43,521	46,493	48,075	48,297
29 Leamington Priors and Warwick- shire Banking Co.	13,875	9,509	9,660	9,595	9,540
30 Ladbroke and Tenbury Bank	10,215	9,284	8,990	8,580	8,608
31 Moore & Robinson's Notts. Bank...	35,813	25,467	25,693	27,323	27,752
32 Nottingham and Notts. Banking Co.	29,477	27,886	28,666	29,765	26,765
33 National Provincial Bk. of England	442,371	408,480	413,709	411,951	409,666
34 North Wilts Banking Company ...	63,939	41,399	39,523	39,755	40,655

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Nov. 18.	Nov. 28.	Dec. 3.	Dec. 1
	£	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	63,884	64,006	66,473	63,32
36 Northamptonshire Banking Co. ...	26,401	20,161	20,295	20,995	20,90
37 North and South Wales Bank	63,951	60,236	62,365	61,357	60,95
38 Pare's Leicestershire Banking Co...	59,300	51,157	51,697	51,850	53,10
39 Saddleworth Banking Company ...	8,122	340	340	339	33
40 Sheffield Banking Company	35,843	34,771	34,273	34,222	33,31
41 Stamford, Spalding & Boston Bk. Co.	55,721	53,473	52,948	51,464	50,31
42 Stuckey's Banking Company	356,976	293,987	286,588	286,515	288,71
43 Shropshire Banking Company	47,951	37,543	38,110	38,362	40,68
44 Stourbridge and Kidderminster Bk.	56,830	51,235	50,536	51,207	49,68
45 Sheffield and Hallamshire Bank ...	23,524	20,930	20,732	21,167	21,14
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	50,740	50,298	50,635	50,61
47 Swaledale and Wensleydale Bank..	54,372	52,935	52,695	52,017	50,80
48 Wolverhampton & Staffordsh. Bk..	35,378	30,405	30,060	28,518	29,10
49 Wakefield and Barnsley Union Bk.	14,604	14,438	14,257	13,853	14,03
50 Whitehaven Joint Stock Bank ...	31,916	24,298	23,220	22,780	21,94
51 Warwick and Leamington Bk. Co.	37,124	24,955	25,088	14,850	26,27
52 West of Eng. & S. Wales District Bk.	83,535	76,437	76,846	75,181	75,65
53 Wilts & Dorset Banking Company	76,162	69,154	68,356	65,531	64,74
54 West Riding Union Banking Co....	34,029	29,136	28,188	26,720	26,45
55 Whitchurch and Ellesmere Bk. Co.	7,475	4,722	4,950	4,678	4,32
56 Worcester City and County Bk. Co.	6,848	6,240	5,981	5,585	5,64
57 York Union Banking Company ...	71,240	70,294	71,070	70,830	70,59
58 York City and County Banking Co.	94,695	92,256	95,800	93,291	87,98
59 Yorkshire Banking Company	122,532	123,485	123,165	117,315	113,27

Irish and Scotch Circulation Returns.

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 10th day of December, 1864.

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during Four Weeks ending as above.			Average Am. of Gold & Sil- ver Coin held during Four Weeks ending as above.
		£5 and upwards.	Under £5.	Total.	
	£	£	£	£	£
Bank of Ireland	3,738,428	1,441,650	1,040,350	2,491,000	526,491
Provincial Bank of Ireland	927,667	393,127	494,848	887,975	380,442
Belfast Bank	281,611	114,806	310,401	425,207	213,971
Northern Bank	243,440	95,025	269,608	364,631	174,298
Ulster Bank	311,075	162,510	335,099	497,609	229,291
The National Bank	852,269	601,840	604,441	1,206,281	656,184
TOTALS (Irish Banks) ...	6,354,494	2,808,958	3,063,747	5,872,705	2,180,778

SCOTCH BANKS.

Bank of Scotland	300,485	173,152	340,586	513,738	293,851
Royal Bank of Scotland ...	216,451	189,119	366,573	555,692	413,372
British Linen Company	438,024	180,028	348,921	528,950	243,371
Commercial Bk. of Scotland	374,880	204,281	398,771	603,053	297,167
National Bank of Scotland..	297,024	169,671	327,926	497,597	260,447
Union Bank of Scotland ...	454,346	189,020	398,708	587,728	223,329
Aberdeen Town and Co. Bk.	70,133	69,870	94,293	164,163	99,909
North of Scotland Bk. Co...	154,319	108,306	129,871	238,178	93,918
Clydesdale Banking Co. ...	274,321	138,176	252,909	391,085	161,556
City of Glasgow Bank	72,921	129,995	255,047	385,042	346,545
Caledonian Banking Co. ...	53,434	28,156	61,736	89,892	44,327
Central Bank of Scotland...	42,933	28,145	43,533	71,678	35,413
TOTALS (Scotch Banks) ...	2,749,271	1,607,919	3,018,874	4,626,796	2,513,205

SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Nov. 19.	Nov. 26.	Dec. 3.	Dec. 10.
115 Private Banks	£4,212,786	£3,116,144	£3,085,612	£3,039,983	£2,992,426
59 Joint-Stock Banks ...	3,226,357	2,779,673	2,769,088	2,750,268	2,717,542
197 Totals.....	7,439,143	5,895,817	5,854,700	5,790,251	5,709,968

Average Weekly Circulation of these Banks for the month ending December 10th:—

Private Banks ..	£3,058,541
Joint-Stock Banks ..	2,754,143

Average Weekly Circulation of Private

and Joint-Stock Banks ending as above	£5,812,684
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On comparison of the above with the Returns for the month ending Nov. 12th last, it shows:—

A decrease in the notes of Private Banks, of	£152,807
A decrease in the notes of Joint-Stock Banks, of	101,280
Total decrease on the month ...	£254,087

And as compared with the month ending December 12th, 1863, it shows:—

A decrease in the notes of Private Banks, of	£161,494
A decrease in the notes of Joint-Stock Banks, of	145,175

Total decrease, as compared with the same period of last year

The following is the comparative state of the circulation as regards the fixed issues:—

The Private Banks are below their fixed issues	£1,154,345
The Joint-Stock Banks are below their fixed issues	472,214
Total below their fixed issues	£1,526,459

SUMMARY OF IRISH & SCOTCH RETURNS TO DECEMBER 10, 1864.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending Dec. 10th, when added together, give the following as average weekly circulation of these Banks during the past month, viz.:

Average Circulation of the Irish Banks	£5,872,705
Average Circulation of the Scotch Banks	4,626,796

Total Average Circulation of these banks for the past month	£10,499,501
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On comparing these amounts with the Returns for the month ending 12th Nov. last, they show:—
Decrease in the Circulation of Irish Banks £83,605
Increase in the Circulation of Scotch Banks 132,463

Total increase on the month.....	£48,857
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And as compared with the month ending December 12th, 1863, they show:—

Decrease in the Circulation of Irish Banks	£67,548
Decrease in the Circulation of Scotch Banks	12,868

Total decrease on the year	£80,416
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The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue ..	£6,354,404
12 Banks in Scotland, allowed to issue ..	2,740,271
18 Banks in all, allowed to issue	£9,103,775

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are below their fixed issue	£481,789
Scotch Banks are above their fixed issue	1,977,525

Total above the fixed issue	£1,495,736
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The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks	£2,180,778
Gold and Silver held by the Scotch Banks	2,513,205

Total of Gold and Silver Coin	£4,693,983
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Being an increase of £43,961 on the part of the Irish Banks, and an increase of £71,461 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

CIRCULATION OF THE UNITED KINGDOM TO DECEMBER 10, 1864.

The following is the state of the Note Circulation of the United Kingdom for the month ending the 10th December, 1864:—

Circulation of Notes for the Month ending 10th December, as compared with the previous month:—

	Nov. 12.	Dec. 10.	Increase.	Decrease.
Bank of England (month ending Dec. 7)	£20,908,439	£19,806,137	—	1,100,302
Private Banks	3,211,348	3,058,541	—	152,807
Joint-Stock Banks	2,855,423	2,754,143	—	101,280
Total in England	26,975,210	25,618,821	—	1,356,389
Scotland	4,444,334	4,626,796	182,462	—
Ireland	5,966,310	5,872,705	—	93,605
United Kingdom	£37,373,854	£36,118,322	£182,462	£1,450,094

The comparison of the month ending Dec. 12th, 1863, with the month ending Dec. 10th, 1864, shows a decrease in the Bank of England circulation of £398,440, a decrease in Private Banks of £161,494, and a decrease in Joint-Stock Banks of £145,175; being a total decrease in England of £1,205,109; while in Scotland there is a decrease of £12,868; and in Ireland a decrease of £83,605. Thus showing that the month ending 10th Dec., as compared with the same period last year, presents a decrease of £1,205,109 in England, and a decrease of £1,288,524 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending Dec. 7th, gives an average amount in both departments of £13,963,617. On a comparison of this with the Return for the month ending Nov. 9th, there appears to be an increase of £673,715; and an increase of £742,361 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 10th Dec., was £4,693,983; being an increase of £115,462 as compared with the Return of the previous month, and an increase of £44,375 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—*Daily Prices from 26th November to 27th December, 1864, inclusive.*

	26	25	24	30	1	2	3	5	6	7	8	9	10	12	13	14	15	16	17	19	20	21	22	23	24	26	27
Bank Stock, 5½ per cent, last half-year	237	239	...	...	...	237½	237	237	239	239	239	239	239	239	237½	239	235	239	239	...	239	...	239	...	...	...	...
8 per Cent. Reduced Annuities ...	89	89½	...	...	...	89½	89½	89½	87½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½
8 per Cent. Consols Annuities ...	90	91	90½	90½	90½	90	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
Ditto ditto for accounts Dec. 8	89½	90½	89½	89	88½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
Ditto ditto Jan. 10	89	90	89½	89	88½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
New 3 per Cent. ...	88½	89½	88½	86½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½	88½
New 3½ per Cent. ...	...	...	...	...	...	...	...	...	...	71½	73	...	...	...	...	...	...	71½	...	...	...	...	...	...	...	...	71½
New 4 per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New 5 per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Annuities for 30 years ...	...	...	...	...	...	...	...	14½	...	...	...	...	...	...	...	...	...	14½	...	...	...	...	...	...	...	...	...
Ditto 30 years ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto (Red Sea Telegraph) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
India Stock, 10½ per cent. April, 1874...	219	219	219	219	219	219	217	230	221	103	102½	103	103	103½	102½	102½	102½	103	103	102½	103	102½	102½	102½	102½	102½	103
Ditto 4 " " Oct., 1870...	108	104	104	106½	106½	103½	98	102½	103	103	102½	103	103	103½	102½	98½	...	...	...	...	...	...	...	...	...	...	103
Ditto 5 " " Oct., 1888...	98	98	98	...	...	...	98	...	...	89	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	103
Ditto Enforced Paper, 4 per cent.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	101
Ditto ditto 5 " "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	101
Ditto ditto 5½ " "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	101
Ditto Loan Debentures, 1864 ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto Bonds £1,000 (div. 5 per cent.)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto under £1,000 ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Kraqueuer Mills £1,000, 4 per cent.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto £500,	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto £100 & 200 "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

FOREIGN STOCKS.—(December 27th.)

[illegible]

THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

FEBRUARY, 1865.

THE PHILOSOPHY OF BUSINESS FAILURES.

THE conditions of business failures are, on the whole, more alike and less dissimilar than is generally believed. They may be said to differ as the atmospheric changes which precede rain or storms; those changes having but one issue or result. They may be said to differ as the Scotch and English Bankrupt Laws; those laws equally wresting property from the hands of debtors. Why the contrary has been accepted as sound doctrine is only to be explained on the supposition that business failures have more frequently been investigated, scrutinised, and analysed by the accountant, assignee, trustee, and commissioner, than by the less prosaic, more disinterested and philosophical observer, whose occupation and mission are to search out uniformities, in the hope of at length arriving at a knowledge of the hidden laws of commerce. The one inquiry may be said to resemble the occupation of the cattle-market salesman, and the other that of the comparative anatomist of King's College or the London Hospital; for at the cattle market money is desired above all things, and at the college money neither exercises a soothing nor a disturbing influence.

Without attempting to deal exhaustively with a question of so much breadth and intricacy as the conditions of business failures, it will be attaining something if the mere foreground is faintly traced. The faint tracings may in time lead us to a better appreciation of the relations between debtors and creditors, and to the framing of a more satisfactory bankrupt code than yet holds sway on either side of the Tweed.

With rare exceptions men of business begin the world with good intentions. They are to make their way honestly if they

can. It is only of the exceptions of whom it may be added, that failing to make their way honestly, they are still to make their way. The evidences of the good intentions of all but the exceptional few greet us in every walk of commerce. Who cannot bear witness to the attractions of a newly-opened place of business? Painter and paperhanger, gas fitter and glazier, joiner and carpenter, have been hired and brought together that the new comer may stand well among his neighbours. The new comer, by a good appearance, seeks to conciliate all classes, and command their patronage. And if the newly-opened place of business is entered and a purchase made, there is unusual promptness, with civility enough to make one think that instead of showing favour, it is a pleasure and a duty to spend his money in the new place. Of course the new shopkeeper will not always display skill in the high art of pleasing. If vulgar, he will offend refinement; and if refined, he is sure to offend the poorer classes. But be the qualification what it will, the attention and industry of the new comer are beyond all praise. He is bent on the realisation of what appears to be a long-cherished hope; and to adopt the cant of the circular and the handbill, no effort shall be wanting on his part to gain and maintain the good opinion of those who buy from him. So it is in Eastcheap, in Mimcing Lane, and Mark Lane, and elsewhere. The new broom sweeps clean. New merchants elbow old ones until in turn they are old, or until their tether's length is reached. In a word, from the lowest to the highest business level the beginnings of all are, as a rule, calculated to convey to thoughtful men a new and better opinion of human nature.

Passing by the exceptional class—the case of whom need not now be considered—the fact of business men beginning the world with good intentions is suggestive of various points which separately are well known. These are, the cold approval of the public; the error, not of putting faith in princes, but of trusting humbler people; the misfortune of buying freely; the evil of mismanagement in the common sense; and several others which will readily occur to all. The characteristic of such a set of considerations is, that they are errors of judgment, not moral offences or crimes. In fact, some of the best men living are the worst administrators; they are easy and well-intended, and that is all. Their youthful ardour soon cooled down; they were always sanguine, and had not the remotest apprehension of the mess in which they may have found themselves. And before buying freely is condemned, the temptation to buy—or rather, the pressure to buy under which a numerous class of business

men are placed by an elaborate system of town and country travelling—must be thought of in its many bearings. Then, giving credit is a still more blameless failing, because, unless some confidence is to be reposed in those to whom we sell, they are not unlikely to seek a more pliant merchant. Last of all, what shall be said of him who settled down where he is not wanted? Thus the conditions of one set of business failures—and that a very numerous one—are not dissimilar, but alike. They may almost be referred to the same cause—that, namely, of the necessity which exists for taking things as we find them.

The higher walks of commerce will not be found to differ greatly in their main features. They agree in the extraordinary combinations necessary to insure success; in the magnitude of the interests at stake; and in other points to which it is superfluous to allude. To speak first of the combinations, none but those familiar with commerce can conceive of the complexity of the problem before the merchant. His operations may be confined to the United Kingdom, or they may extend to one and all of the great markets of the world. In either case finance will engross a large measure of attention. How are bills falling due to be retired, business expenses to be met, and funds for private expenses to be provided? Unreasonable realisations will be unprofitable, and hitch or embarrassment in money matters is another name for ruin. Next in importance to finance is the entering into new transactions. That is at all times a most anxious case, for without it there is no getting on, and in proportion as it is profitable or unprofitable is gain or loss computed. After new transactions and finance comes administration, or the orderly and judicious regulation of the whole—an effort, to which sometimes the term *genius* might fitly be applied.

Then, as if to perplex the judgment, especially at a time of pressure, the contemplation of the magnitude of the interests involved is constantly forcing itself on the attention. The constituents of a bank, for example, or of an army agency, may number some thousands; the constituents of a great merchant are frequently few in number, although the liabilities are heavy. Thus, again, the conditions of another set of business failures are alike, and not dissimilar. There may be several great failures, not one of which may be distinguished by a single novelty.

Such is the faint foreground tracing of the intricate and broad question of business failures, with the omission of the cases which are exceptional. The popular view, and the view that seems to be generally current among successful business men, is

very different. The popular view is, that if a business man have failed he is guilty of some unpardonable sin, and is not to be again reinstated in credit or favour. And as if to confirm the popular view, it is usual for those who have broken down to hang the head, relinquish old privileges, and abandon old pretensions. Without saying that bankrupts are to be heroes, it must be obvious that the popular view is unsupported by reason and fallacious. It is a low estimate of business—a forgetfulness of its hazards. The mariner with a ship at sea, the general with an army in the field, is not called on to display half the powers of mind, not half the self-denial, of the busy merchant. All the year round the merchant is at his post, always venturing; and therefore when he falls it ought to be assumed that he falls honourably—until at least dishonour has been proved against him. Falling honourably cannot logically consign him to contumely and isolation. As well might the hand which drew an insufficient Bankrupt Bill be forbidden to draw another; as well might one miscarriage of justice preclude the administration of all justice. On abstract grounds failure in business—honourable failure—like failure in invention, or in any mental effort, should be esteemed a guarantee against rashness in the same direction at another time. It should be esteemed an addition to the stock of an individual man's experience, instead of forming a stumbling-block to him.

Of dishonourable failure sufficiently strong terms of reprobation can scarcely be employed. It is an injury to the collective body of business men, and an offence against society. But unfortunately the scope of the term is ill defined, and its application vague and arbitrary. An attempt to fix its meaning, and the meaning of some other business terms and phrases, is much needed, and if successful would be sustained with great benefit to all classes.

THE HALF-YEARLY MEETINGS.

THE present number of the *Bankers' Magazine* contains the bulk of the half-yearly meetings of the banks, the discount and the finance companies. A more important issue of this periodical was never before made. In the reports of these assemblies will be found the history of the financial progress of the last six months: the prosperity which preceded the high rates of

money, the adversity and loss which accompanied the crash produced by the pressure in October and November. The bank meetings, like the credit and finance meetings, exhibit varied results; all the old-established institutions have made large profits and declared enormous dividends; several of the new banks present doubtful balance-sheets, with large losses, and have been compelled to suspend the payment of dividends.

Some of the new establishments, the shares of which were very high in the days of the general inflation, will hereafter have to be carefully managed, or they will collapse; but the majority, it is but fair to say, show such elements of success, that, now they have got into smooth water, there is the expectation of ultimate prosperity. The accounts and reports issued (taking them in the order in which they have appeared) by the Union Bank of London, the London and Westminster Bank, and the London Joint Stock Bank, have surprised most people. The shareholders and the public were prepared in all these cases for flattering and substantial expositions, but they scarcely imagined that such profits, such dividends, and such reserves would have been presented.

The Bank of London and the City Bank have both done well—the latter, however, not having escaped some sacrifice in the panic—and the Metropolitan and Provincial and the Alliance even showing less unfavourable accounts than were imagined. The directors of these latter establishments have nevertheless made a clean breast of it, and as they promise to go to work with heart and a will hereafter to retrieve lost ground and improve their position, they may in the course of time do so.

The meeting of the London and County Bank has yet to be held, but it is understood that the profits of that establishment have proved extremely satisfactory, and that the rate of distribution will be very encouraging. The other bank meetings have not exhibited important features, but they indicate most unmistakeably that there is now quite sufficient bank accommodation, and that there is not the slightest necessity for any increase of it. This will therefore, perhaps, be a warning to

promoters and others not to attempt to introduce any new projects, without they are for localities where English banking does not exist, and unless they are assured that they can complete their subscriptions and capital without drawing from the resource of the general market.

The best of the credit and finance companies show that they are negotiating a sound and satisfactory business. The London Financial, the International, and the Imperial Mercantile Credit have each published reports that prove they have been well and carefully managed. The dividends have been good, and the reserves carried forward enough to place them in a stable situation. They are evidently transacting what may be considered a large proportion of banking business, and the effect is that their operations produce a marked influence upon the course of general financial relations.

Some of the weaker establishments—those which it is not necessary to enumerate—will, when they have made a few losses, have to put their affairs into liquidation, and the issue will be inconvenience to the shareholders and no advantage to the public. The accounts of the National Discount Company present a most cheering appearance, and the Joint Stock Discount report would have been better but for its having suffered from the Leeds Bank paper which was so extensively circulated through London just previous to the suspension of the Leeds Bank in September last.

The Consolidated Discount Company have made losses consequent upon the panic, and in one instance it is believed they were defrauded through some warrant transactions. Hereafter they will, no doubt, be in a stronger position, and when trade revives they may come in for their fair share of business. Looking, nevertheless, at the general results of the meetings, they have proved eminently favourable, and though there have been exceptions, the anticipatory rumours of the collapse and winding up of certain establishments have been in most cases altogether unfounded.

HISTORIC OUTLINES OF AMERICAN FINANCE.

No. XII.

ANDREW JACKSON was inaugurated President of the United States on the 4th of March, 1829, as successor to John Quincy Adams. He had distinguished himself as a soldier by brilliant successes against the Creek and Seminole Indians, by his defence of New Orleans against the rash and unfortunate English General Pakenham, and by the invasion and conquest of the Spanish possessions in Florida. After all the founders of American independence had disappeared from the political scene, his military prowess had rendered him highly popular, especially with the extreme democracy, on whose votes he had counted to raise him to the presidential chair. To promote his canvass, he promised to act upon the principles of Washington and Jefferson, and of the other patriarchs of American liberty, confining his rule scrupulously within the defined margin of the presidential prerogative. That he was conscientious, patriotic, and disinterested, his bitterest enemies allow, but he exhibited none of the conciliatory temper of his illustrious predecessors. On the contrary, he was self-willed, arbitrary, dictatorial. Shortly after the battle of New Orleans, he arrested a member of the legislature of Louisiana, who had written an article in one of the newspapers of which he disapproved. For this violation of the liberty of the subject, he was tried, condemned, and sentenced to a fine of 1,000 dollars. In the second war against the Seminole Indians, he seized two Englishmen, named Ambrister and Arbuthnot, who were in the country at the time, suspecting them to be secret allies of the Indians. He ordered them both to be tried by court martial. One of the two was condemned to death by that tribunal, but General Jackson executed both. On the pretext of the Indians retreating for shelter under the guns of the Spanish fortress of St. Mark, he seized it, on which the Governor of Pensacola demanded its restoration. General Jackson marched against it and took possession of the whole country. These acts sufficiently prove the impetuosity of his character.

On being appointed President, his first measure was to fill up all public offices with his own partizans. During the first sessional recess, he made 176 appointments, principally removing those who differed from him in opinion. In comparing his conduct in this respect with that of his predecessors, his partiality appears most flagrant. During the administration of Washing-

ton, there were only nine removals in eight years, and one of these was a defaulter. In that of John Adams, there were ten; under Jefferson, thirty-nine; under Madison, five, of whom three were defaulters; under Monroe, nine, of whom six were for causes assigned; under John Quincy Adams, only two, and both for causes assigned. Thus, under the administration of six succeeding Presidents, extending over a period of forty years, there were seventy-four removals; under Jackson, immediately on his accession to power, there were one hundred and seventy-six, all, with rare exceptions, without any proof of official delinquency. His government commenced with the principle of proscription. What made this sweeping exercise of the prerogative the more remarkable, was that, before his election, he had openly professed himself a determined enemy to party spirit and party favouritism, more particularly in the distribution of executive patronage. The violation of this pledge strongly manifested itself in the post office department. Between the 4th of March, 1829, and the 22nd March, 1830, he displaced four hundred and ninety-one postmasters.

It may also here be observed that down to the presidency of General Jackson, the construction given to the spirit and intent of the Federal constitution by the majority of Congress, gave it power to protect domestic manufactures, to appropriate public moneys for works of internal improvement, to create a Bank of the United States, and generally to regulate and control all affairs strictly national. Such was the settled policy of the country to the year 1829, in which nearly all parties concurred, excepting a large majority of the representatives of the Southern States. General Jackson had been a member of the Senate, in which capacity he had voted in the affirmative on eight different Bills providing for internal improvement out of the funds of the general government, and his vote in favour of the tariff of 1824, founded on the principle of protection, showed that he did not concur in the principles of free trade of which Mr. Crawford was the leading politician. Mr. Calhoun, elected Vice-President with General Jackson, had advocated the re-charter of the first United States Bank in 1810; he also concurred in the charter of the new bank in 1816, and had supported in Congress the general features of a protective tariff. Finally, the friends of Crawford and Calhoun had united to ensure the election of Jackson in 1828. Politicians soon began to speculate how they would act together, now that power was placed in their hands.

In his first annual message, 8th December, 1829, the President thus alluded to the tariff of 1828, which had excited a

lively and growing opposition in the Southern States :—"Looking to the period not far distant when a sinking fund will not be required, the duties on those articles of importation which cannot come into competition with our own productions, are the first which should engage the attention of Congress in the modification of the tariff. Of these, tea and coffee are the most prominent." These sentiments did honour to a wise and generous statesmanship. So long as the nation was in debt, it became the duty of the President to make provision for its redemption, and a sinking fund was one of the provisions of which Congress had approved ; when that was no longer needed, justice demanded the repeal of the duties on such commodities as American industry could not produce, such as tea and coffee, for the growth of which the soil and climate were not adapted ; but the case was the very reverse with those commodities to the production of which America was competent. In regard to these, protection, or, in other words, the exclusion of rival fabrics from more advanced countries, was essential to the gradual development of native industry, as it had been to England in the earlier periods of its history, for without a beginning there could not have been any progress. Manufacturing excellence requires time and assisted culture before it can arrive at self-sustaining maturity. That was the policy of Congress, not exceptionally, as Jackson had put the case, but absolutely, and fears were roused by the modification he had introduced, alarming the protectionists lest the small end of the wedge might be inserted with ulterior views. On the other hand, the free-traders were dissatisfied with the limited concession that had been recommended.

Symptoms of disunion soon appeared. The standing committees both of the Senate and of the House of Representatives made reports diametrically opposed to the recommendation of the President, for the tone of his first message both on the tariff and on the bank of the United States was deemed hostile. A debate in Congress on the public lands arose. It was proposed to limit sales to such sections as had already been offered for sale, and were subject to entry at the minimum price, and to abolish the office of surveyor-general. This was construed by the Southern members as a design to prevent the settlement of the West, and it raised formally the question of "States Rights." It was replied to these oppositionists that public lands not particularly and expressly ceded to a State were solely at the disposal of the United States Government, and while they remained in that condition, as unreserved national

domain, no single State or aggregation of States had a right to interfere in any manner. Such was the argument of the celebrated Mr. Webster, who wished to sell small tracts to actual settlers and fill up the vacant territory with resident cultivators; and he contended that to yield the pretensions involved in "States Rights" was in effect to nullify the Union. The eastern States applauded these views; the Southern opposed them; and then a new subject of discord arose. Indeed, the South had always resisted what it called the encroaching exercise of power by the Federal Government, with the exception of South Carolina, which had voted for internal improvements, the United States Bank, and the tariff; but a great change had taken place, and South Carolina had become the most vehement advocate of States' Rights. It had opposed the tariff in 1824, and its subsequent modification in 1828. On its passage its members threatened to resign their seats in Congress. In 1827 the state legislature of South Carolina asserted that each state was a distinct and independent sovereignty. Georgia acquiesced in the doctrine. Virginia adopted it, and in 1829 the right of a state to nullify an act of Congress was affirmed. North Carolina, though equally opposed to the tariff with other southern states, declared against all violent measures; and while Alabama remonstrated against commercial restrictions, it conceded the right of Congress to pass revenue laws.

These conflicts prognosticated a stormy administration, but there were other causes of collision. We have seen that Mr. Monroe, though at first disinclined to appropriate the public money to internal improvements except for strictly federal purposes, ultimately yielded, and the precedent he had established was accepted as irreversible. A bill was now passed for internal improvements through Congress, called the "Maysville Road" bill, which Jackson vetoed. He had, however, sanctioned a bill for continuing the Cumberland Road, and another for the improvement of roads and harbours; but what gave great offence was the fact of his approval of the Cumberland Bill with a qualification that limited its extension. This was a novel and unconstitutional proceeding, for the legitimate action of the President on the legislation of Congress was a mere naked right of approval or disapproval. He could neither enlarge or abridge the instrument submitted to him by Congress. His conduct, therefore, was an act of usurpation. Jackson, in truth, objected to the principle which Monroe had sanctioned, not that he was unfavourable to internal improvements, but to the payment of the cost directly out of the public treasury.

His notion was that the national funds should be distributed among the several States in proportion to their number of representatives, to be applied by them to objects of internal improvement. However Congress persisted, passed other bills having similar objects, and the President yielded. The principle was then considered settled.

These various causes of difference had greatly weakened the moral union of the cabinet. Mr. Calhoun had long been suspected of having proposed a vote of censure on General Jackson for his conduct in the Seminole war. That conduct related to the year 1818. The suspicion rankled; at length, on the 20th April, 1831, it became known that the cabinet ministers had resigned. Of the new Cabinet Mr. Calhoun was not a member. General Jackson then appointed his personal friend, Mr. Van Buren, minister to England, but the senate refused the appointment. The votes were twenty-three against twenty-three. Mr. Calhoun, as Vice-President, gave the casting vote against the President's friend. This was the first occasion on which a minister had been compelled to retire from his post by the Senate. It was the sign of open war.

We have now sufficiently sketched the broader outlines of parties when General Jackson took the reins of government, and to give as clear a view as we are able of his turbulent administration we propose to treat its leading events separately, commencing with the Tariff and the South Carolina Rebellion.

The commercial interests of the north had become essentially bound up with manufactures and shipping; those of the south continued agricultural. The north demanded protection against the superior wealth and highly improved machinery of England, and sought it in an excluding Tariff which shut out the competing fabrics of Great Britain from the American market. To compass that end Congress had passed the several restrictive laws of 1816, 1818, 1824, 1828, and 1832. Of these enactments the South complained, for the South was a buyer not a seller of manufactures, desiring to supply its own particular wants at the cheaper rate which England would have willingly accepted, but which would have crushed the industry of the North. Hence arose a deadly feud between the two sections of the Union, originating in the diversity of their mercantile interests, and it became so violent as to threaten the dissolution of the Federation.

When General Jackson became President, the national debt, estimated at 120,000,000 dollars at the close of the second war with England, had been reduced to less than 59,000,000 dol-

lars. The great source of revenue had been customs duties, though these had been supplemented by moneys derived from the national domain, but all internal taxes were abolished at the restoration of peace. It was under this fiscal system, carried on with paper money, that the national debt was in rapid course of liquidation. The whole country prospered, all the people were contented. In his message to Congress of the 4th March, 1832, the President said, "Within the four years for which the people have confided the executive powers to my charge, forty eight millions of dollars will have been applied to the purchase of the public debt." As this had been derived from the surplus of income over expenditure, it is certain that the material wealth of America had been largely augmented. In the same message the President referred to the tariff in these terms. "A tariff of high duties for perpetual protection was never contemplated by any statesman. However, large interests have grown up under the implied pledge of legislation which would seem a violation of public faith suddenly to abandon. Nothing could justify it but public safety, which is the supreme law. People submit to high duties so long as the money arising from them is applied to the common benefit in the extinguishment of the public debt. Those who take an enlarged view of the condition of our country, must feel satisfied that the principle of protection must be ultimately limited to those articles of domestic manufacture which are indispensable to our safety in time of war." Beyond that object the President did not consider protection justifiable, but the doctrine, even with this limitation, was denounced by South Carolina, while the limitation offended the Protectionists.

In October, 1832, the legislature of South Carolina summoned a convention of the people to meet on the next ensuing 3rd of November, and declare its opinion, not only on the tariff, but generally on the principles which ought to influence congress when enacting commercial laws. The convention met, and by a majority of 136 votes against 26 passed an ordinance affirming that the various protective tariffs passed by Congress, especially those of the 19th May, 1828, and the 14th July, 1832, violated the spirit of the federal constitution, and therefore were null and void. It further ordered that the state ordinance should be obligatory on the citizens of South Carolina. That their extreme measures should not remain an idle threat, South Carolina armed and embodied its militia on a war footing. Other states of the south, especially Virginia and Georgia, without committing themselves to any overt act of rebellion,

showed that they fully sympathized with the insurrectionary state; and there were general rumours that the entire south would revolt and form a separate and independent confederation. In fact the Union hung together by a thread. The South Carolina ordinance contained the following threatening passage:—

“That the several acts and parts of acts of the Congress of the United States, purporting to be laws for the imposing of duties on the importation of foreign commodities, and now having actual operation and effect within the United States;” and, more especially, “two acts for the same purpose passed on the 29th May, 1828, and on the 14th July, 1832, are unauthorised by the constitution of the States, and violate the true meaning and intent thereof, and are null and void and no law, and not binding on the citizens of that state nor its officers.” The document then proceeds to state that by the said ordinance it is further declared to be unlawful for any of the constituted authorities of the state, or of the United States, to enforce the payment of the duties imposed by the said acts within the same state; and that it is the duty of the legislature (of South Carolina) to pass such laws as may be necessary to give full effect to the said ordinance.” It was then ordered that no court of law or equity in South Carolina should question the validity of the ordinance, and that no appeal should be allowed to the Supreme Court of the United States under pain of punishment. Finally it was resolved that the citizens of South Carolina should maintain the ordinance at all hazards, and consider any act of Congress closing or obstructing the ports of the said state “as inconsistent with the longer continuance of South Carolina in the Union;” and further that the people of South Carolina will “forthwith proceed to organize a separate government, and do all acts and things which sovereign and independent states may of right do.” This was to draw the sword and throw away the scabbard.

A defiance so insolent roused the fiery spirit of General Jackson, but for a man of his impetuous temperament his answer to the South Carolina ordinance was moderate in its tone, though masterly in argument. He began by remarking that the ordinance was not founded on the indefeasible right of resisting acts which are plainly unconstitutional and too oppressive to be endured, but on the absolutely untenable ground, that one state may not only declare an act of Congress void, but also prevent its execution. He admitted there were two appeals from an unconstitutional act of Congress—one to the

judiciary, the other to the people and the states; but, as he observed, the ordinance refused any appeal to either, and therefore South Carolina made itself sole judge of its own act. It was indeed obvious that a state veto on the sessional laws of the Union was an impracticable absurdity, for instead of all the parts of the federation obeying the whole, each separate part would be supreme in itself. Secession is an intelligible principle (whether justifiable by circumstances or not is another question), for it dissolves the federal tie; but for any single member of a federation to obey or defy the general laws at its mere will and pleasure, is an outrage on common sense. During the colonial government the different provinces formed leagues for special and temporary purposes, but all being then subjects of England they had no pretensions to sovereignty. Before the declaration of independence the provinces, in their aggregate character, were known as the united colonies of America. That declaration made them a nation by a joint act, not by several separate acts, and thus they became one and indivisible. The instrument of confederate union contained this clause:—

“Every State shall abide by the determination of Congress on all questions which by that confederation shall be submitted to them.”

Experience having proved that the confederate constitution was so full of defects as to render government impracticable, it was agreed to change its provisions after the contest with England was decided; and to facilitate that arrangement it was enacted that the whole thirteen states should be bound by a vote of nine States in defining and settling the new federative constitution. The next important object aimed at in the political system was “to form a more perfect union” than that of the confederation which was to be superseded. It was therefore childishness to suppose that the founders of a more perfect union ever contemplated the framing of an instrument by virtue of which any state or combination of states, (unless by unanimous vote,) should disrupt the union when it or they pleased by refusing to obey the laws of Congress.

The South Carolina argument amounted to this: The right to secede is deduced from the nature of the constitution, which is a compact between sovereign states who have preserved their whole sovereignty, and, therefore, are subjects of no superior. Having made the compact they can break it when, in their opinion, it has been departed from by the other states. The flaw in this reasoning is the very false assumption that in

forming the compact each state retained its sovereignty wholly undiminished.

General Jackson answered it substantially in the following terms. We are one people in the choice of President and Vice-President. There the states have no other agency than to direct the mode in which the votes shall be given; the candidates having the majority of all the votes are chosen. The electors of a majority of the states may have given their votes for one candidate, and yet another may be chosen. The people, then, not the states, are represented in the executive branch. As to the House of Representatives, When chosen they are all representatives of the United States, not of the particular state by which they are deputed. They are all paid by the United States, not by the state which elected them. No doubt they do and may consult the local interests of their constituents, but they are none the less representatives of the United States, and bound in duty to promote the general good. The states severally have not retained their sovereignty. They are component parts of a nation, not members of a league. Each has surrendered many of the essential attributes of sovereignty. The right to make treaties, to declare war, to levy taxes, to exercise judicial and legislative powers, are all of them, functions of sovereign power. For all these sovereign powers, the states are no longer sovereign, as they formally surrendered them when the constitution was formed. The allegiance of the citizens of each state was transferred to the United States. They all became American citizens, promising obedience to the laws enacted by Congress; treason is an offence against sovereignty and sovereignty must reside in and be inherent in the punishing power. The states have no such power, and this alone is decisive of the principle of unity. Moreover, in time of war the President is commander-in-chief of all the militia of all the states, which is a clear admission of the surrender of individual sovereignty. For these various reasons General Jackson contended that the federation was a nation, not a mere league, for a constitution is a compact which all are bound to obey, not an agreement from which any party may capriciously secede. Such in substance was the proclamation of the President, dated the 11th December, 1832, and every unprejudiced judge must admit that his reasoning was unanswerable. He enforced his proclamation by dispatching a sloop of war to Charleston to collect the Customs Duties in the harbour.

(To be continued.)

AMALGAMATION OF MESSRS. ATTWOODS, SPOONER & CO. WITH THE BIRMINGHAM JOINT-STOCK BANK.

THE Birmingham papers announce one of the most important amalgamations of banking interests that have taken place in that locality, if not in the provinces, viz., the fusion of the old-established bank of Messrs. Attwoods, Spooner, Marshalls and Co. with the Birmingham Joint-stock Bank, Limited. The negotiation which has resulted in this amalgamation commenced in April last, immediately after the transfer of Messrs. Jones Lloyd's business to the London and Westminster. The death of Mr. T. A. Attwood, and subsequently of Mr. Spooner, necessarily delayed a settlement; but a few days ago, the preliminary agreement was executed, and the transfer will take place as soon as the resolutions to be submitted to the shareholders of the joint-stock bank have been confirmed. It will be seen by the subjoined circulars that the title of the united bank will remain as it is; that the business will be carried on in New Street, as well as at Temple Row, and the management and conduct of the New Street house will remain as at present, Mr. George Edwards being the chief executive officer of that branch. We are also informed that Messrs. Barclay, Bevan, Tritton, and Twells will continue to be the London agents. In order that the interests of the two banks may be closely united, Mr. Henry Marshall, the surviving partner of his firm, will co-operate in the direction of the bank, and three other gentlemen of large commercial experience and eminent position will also take seats at the board. The terms upon which this amalgamation has taken place are not made public, but we have reason to know that while they are fair and equitable to Messrs. Attwood and Co. they will yield substantial advantage, not only in *prestige* and position, but in profit to the shareholders of the joint-stock bank.

The bank, which has now adopted the course which all private firms sooner or later will take, was opened on the 4th of April, 1791, and has consequently been in existence for seventy-four years. The original partners were Messrs. Isaac Spooner, James, Matthias and Aaron Attwood, and Thomas Aynsworth. The business subsequently passed into the hands of the descendants of some of the founders, and later the Messrs. Marshall became partners. Time has removed all the members of the firm except Mr. Henry Marshall, and he and the business he has managed so long, take, it is to be hoped, a new lease of life in the union with one of the youngest and most vigorous of contemporary banks. The founders of the joint-stock bank have certainly much cause for congratulation in the fact that experienced and sagacious men like those who represent the interests of Messrs. Attwood and Co. should have selected their bank as that with which the fortunes of the old firm should be linked; a preference due, we suspect, not

less to the prosperous condition of the joint-stock bank than to the fact of its being based on the principle of limited liability.

The following are the circulars which have been issued to the friends of the two banks :—

“ Birmingham Joint Stock Bank, Limited.

“ Birmingham, January 20, 1865.

“ Sir,—I have the pleasure of informing you that the directors of this company have entered into an agreement with the representatives of the old-established bank of Messrs. Attwoods, Spooner, Marshalls, and Co., for the amalgamation of the business of the two companies.

“ The terms upon which this amalgamation has been effected have been the subject of careful consideration, and the directors have pleasure in congratulating the shareholders on an arrangement which cannot fail to conduce most materially to their interests.

“ The amalgamated business will be carried on under the title of ‘ The Birmingham Joint-Stock Bank, Limited,’ in Temple Row, West; and the Banking House of Messrs. Attwoods, Spooner, Marshalls, and Co., will be continued as a branch under the superintendence of Mr. George Edwards, for many years cashier with Messrs. Attwoods, Spooner, Marshalls, and Co. The amalgamated company will also have the benefit of the co-operation of Mr. Henry Marshall, who, with three other gentlemen, representing Messrs. Attwoods, Spooner, Marshalls, and Co., will join the board of direction.

“ In making this announcement the directors need scarcely say that the interests of the friends of the Joint-Stock Bank shall always have their utmost attention; and on behalf of the amalgamated bank they solicit from the friends of Messrs. Attwoods, Spooner, Marshall, and Co., a continuance of the confidence that has so long been accorded to that firm.

“ The transfer will take place on the day the shareholders confirm the resolutions to be submitted to them.

“ I have the honour to be,

“ Sir, your obedient servant,

“ JOSEPH BEATTIE, Manager.”

“ Bank, 191, New Street, Birmingham,

“ 20th January, 1865.

“ Dear Sir,—We have the pleasure of acquainting you that, after a very careful negotiation, we have come to an arrangement with the directors of the Birmingham Joint-Stock Bank, Limited, for the amalgamation of our bank with theirs.

“ A preliminary agreement has been signed, and the directors will apply for powers at their annual meeting, on the 6th February next, to carry it into effect.

“ We are of opinion that the terms are very beneficial to both parties, and our customers will have the opportunity of taking shares in the amalgamated bank upon the same terms as the customers of the joint-stock bank.

“ It has been arranged that Mr. Henry Marshall, and three other gentlemen to be proposed by us, shall be nominated directors; and that Mr. George Edwards who has been so many years our cashier,

shall be the manager at the branch of the amalgamated bank in New Street.

"It would be very gratifying to us that you should extend to the united bank the same confidence with which you have honoured us for so many years.

"We remain, dear sir,

"Your faithful and obliged servants,

"ATTWOODS, SPOONER, MARSHALLS & Co."

It will be seen by the subjoined notice that a special general meeting is called for the 6th of February, to confirm the agreement, and to raise the nominal capital to £3,000,000. Some of the shares so created will, we presume, be applied to the purchase of the business of Messrs. Attwood and Co. However that may be, the shareholders are to participate in the new issue to the extent of one share in ten, the premium being the very moderate one of £16, the payment of premium and capital being spread over a period of twelve months. We append the official notices :—

"BIRMINGHAM JOINT-STOCK BANK, LIMITED.—Notice is hereby given, that the next ordinary general meeting of the company will be held at the Exchange Assembly Room, in New Street, Birmingham, on Monday, the 6th day of February next, at one o'clock in the afternoon precisely, to receive the directors' report, to declare a dividend, and to transact the general business of the company.

"Notice is also given, that an extraordinary meeting of the shareholders will be held at the same place at half-past one o'clock in the afternoon of the same day, when resolutions to the following effect will be proposed, viz. :—

"1.—To confirm an agreement entered into by the directors for the amalgamation of the banking business of Messrs. Attwoods, Spooner, Marshalls, and Co. with this bank.

"2.—To increase the capital of the company, by the creation of 10,000 additional shares of £100 each (so that the whole capital will be three millions), and to authorise the appropriation of such new shares.

"3.—To annul the 54th and 77th articles of association, and in lieu thereof to take power to increase the number of directors and to supply vacancies.

"By order of the Board,

"JOSEPH BEATTIE, Manager.

"Bank, No. 4, Temple Row West, Birmingham,
January 20, 1865.

"The transfer books of the company will be closed from the 20th day of January to the 6th day of February."

"Birmingham Joint-Stock Bank, Limited.

"Birmingham, 20th January, 1865.

"Dear Sir,—In transmitting the accompanying notice, convening the annual and a special general meeting of the company, I have the pleasure

to inform you that out of the new capital then to be created, the directors propose to allot to the shareholders upon the register this day, one share for every ten shares held by them, at a premium of £16 per share. The payments in respect of capital and premium will be extended over a period of twelve months.

"I am, dear sirs, yours faithfully,

"JOSEPH BEATTIE, Manager."

BANKING AND FINANCIAL ANECDOTES.

No. II.

EARLY STRUGGLES OF THE BANK OF ENGLAND.

BRANDED those difficulties which may be said to be the lot, more or less, of all financial experiments and commercial ventures, the Bank of England in its early days—as indeed in its later days also—had to contend against the shafts of ridicule and the attacks of interested opponents. The following curious example of the difficulties that beset the bank at its outset will explain itself. In a sham report, "The Trial and Condemnation of the Land Bank at Exeter Change for Murdering the Bank of England at Grocers' Hall," is to be found an equally spurious will, which is supposed to be produced at the trial. It is as follows:—

"Know all our creditors by these presents, that we, the Governor and Company of the Bank of England, being weak in body through the wounds received from the Land Bank at Exeter Change, to whom we lay our death, but of as good sense as ever we were, finding ourselves impaired in our credit and reputation, and despairing of recovery, do make our last will and testament.

"1st We bequeath our soul to the devil in order to serve the public out of our creditors' money; and as to the qualities of our mind, we dispose of them as follows; namely, all our skill in foreign exchanges, and our probity and candour in making up the accounts of the loss thereof, we give to all and every of our directors, except four or five, jointly and severally to hold to them and to their successors as heir-looms and indelible monuments of their skill and probity for ever. All our obstinacy and blunders we give unto our present Governor, upon trust that he shall employ one equal third part thereof as one of the Lords of the Admiralty, and the other part thereof as Governor of the Bank of England. All our oaths,

impudence, &c., we give unto our present Deputy Governors and our dear Sir Henry Furness, to hold in joint partnership during their lives, and the survivor to have the whole. All our shuffling tricks we give to our dear Sir William Gore. All our cynicalness and self-conceit we give to our directors Sir John Ward and Sir Gilbert Heathcote, equally to be divided betwixt them, share and share alike, as tenants in common. All our blindness and fear we give unto our dear Obadiah Sedgwick, and we also give him £5 in money to buy him a new cloth coat, a new half-beaver hat, a second-hand periwig, and an old black sword to solicit with in the lobby, and also to buy him a pair of spectacles to write letters to lords with. As to the residue of our temporal estate (besides the said £5), we dispose thereof as followeth:—Imprimis—we devise to our own members (when they shall have paid in their whole £100 per cent.) our fund of £100,000 per annum, charged and chargeable, nevertheless, with the sum of £1,200,000 for which it stands mortgaged, by bank bills, in full satisfaction of all their great expectations from the probity and skill of our directors, advising them to accept a redemption thereof by Parliament whenever they can have it. Item—all our ready moneys before any of our debts are paid we give to our executors hereinafter named, in trust that they shall, from time to time, until 1st of August, 1696, lend the same into the exchequer, upon condition to defeat the establishment of the Land Bank; and from and after the said 1st of August then to lend out the same into the said exchequer, upon security of premises to establish our executors the next session, instead of the Land Bank, and for such other premiums as our said executors can give to themselves for doing thereof. And we do direct our said executors to continue the stock and pensions already allowed to our past friends—they know where. And after all our ready money so disposed, we leave the residue of our effects for payment of bills and notes, at such days and hours, and in such manner and proportion, and with such preferences as our said executors shall think fit. And we do hereby constitute our directors executors of this our will, giving each of them power out of our cash to discount their own tallies, bills and notes at par, and the bills and notes of other of our creditors at the highest discount they can get for the same. And our body we commit to be buried with all privacy, lest our creditors arrest our

corpsa. In witness whereof we have hereunto set our common seal, 4th May, 1696."

Emanating from the same source we have the following spiteful suggestion for an epitaph on the Bank of England:—"Here lies the body of the Bank of England, who was born in the year 1694; died May 5th, 1696, in the third year of its age. They had issue legitimately their common seal, 1,200,000 called Bank Bills, and by their cashier two million tons of ———, called Speed's notes."

WILLIAM THE THIRD AND THE FIRST DEPUTY GOVERNOR OF THE
BANK OF ENGLAND.

The establishment of the Bank of England had a decided effect on the war which William the Third was carrying on against the French, in 1695. The sinews of war were required, and Mr. Michael Godfrey, who was then Deputy Governor of the Bank, charged himself with the mission of conveying funds to the King, who was vigorously besieging Namur. Mr. Godfrey having ventured into the trenches to have an interview with the sovereign, who was to be found there, was cordially received, as was natural enough, seeing what was the purport of his visit. But the King seemed to have a presentiment that the trenches of Namur were not the place for the man of finance. "As you are no adventurer in the trade of war, Mr. Godfrey," said William of Orange, "I think you should not expose yourself to the hazard of it." The banker immediately replied, with the true spirit of a courtier, "Not being more exposed than your Majesty, should I be excusable if I showed more concern?" "Yes," replied the monarch; "I am in my duty, and therefore have a more reasonable claim to preservation."* It is difficult to see how the King was more in his duty, or more self-denying than the banker, or what "claim to preservation" either had a right to set up. But be this as it may, the dialogue between the King and his loyal subject was in a moment cut short. The messenger of death—a cannon ball from the fortress—in an instant laid Mr. Godfrey low, and he thus paid a fatal penalty for too reckless a devotion to the interests of his country.

* Martineau's History of England.

COUNT VAN HORN AND THE MURDERED STOCKBROKER.

In 1718-19, when the Mississippi scheme of the notorious John Law was exciting much sensation, society in France was completely disorganised. The historian De Tocqueville, alluding to this period, says, "At this epoch of scandal and opprobrium there was no folly or vice in which the upper classes did not take the lead. The degradation of men's minds was equal to the corruption of their manners." A striking illustration of the depravity of the time may be found in the life and ignominious death of the Count Antoine Van Horn, who was related to many noble families, as well as the brother of a prince. He is thus described :* "His face was as pale and as beautifully chiselled as that of an antique statue, and a pair of singularly wild and brilliant eyes shed over the whole what might have seemed preternatural light. The ladies, with whom Van Horn was a greater favourite than with their husbands or brothers, declared that it was almost impossible to withstand his ardent gaze." The external characteristics of the Count were evidently no index to his mental qualities, for he obtained "a bad pre-eminence" in crime even at a period when extravagance, debauchery, and crime were rife. Paris was one morning startled by the rumour that a wealthy Jewish stockbroker had been robbed and murdered in open day, and in the very heart of this luxurious city. All the town was on the *qui vive*, and the excitement was increased by the name of Count Antoine Van Horn being whispered as the murderer. It seems that the unfortunate Hebrew broker had been lured to a *cabaret*, and—whether in the heat of passion in quarrelling about money matters, or in cool blood, is not known—the Count stabbed the unhappy Jew. He was immediately apprehended, and though immense efforts were made by the noble and the wealthy to save him, he was condemned to be broken on the wheel, and afterwards suffered this miserable and disgraceful death.

PAYING BANK NOTES BY INSTALMENTS.

AMONG the "things not generally known" in connection with the Bank of England, is the fact that during the earlier period of its history, the holder of a note could obtain payment of part of its value,

* Chambers.

leaving the Bank to pay the remainder at a future time. Indeed, the note might be paid in several instalments. There are still to be seen in the mammoth establishment in Threadneedle Street, some of those notes. The last note that was thus treated is a curiosity; there is but sixpence to receive upon it.

A DINNER PARTY PUT OFF FOR WANT OF CHANGE.

DURING the panic in Ireland, in 1820, when eleven banks had failed within one month, there were some ludicrous annoyances amidst severe distress. A gentleman in Cork wanted a leg of lamb, and offered a £5 note for it, which was refused. In Limerick, a country gentleman, with £1,500 a year, had sent out invitations for a dinner party the week before the banks broke, and considered himself most fortunate in finding amongst his notes one Bank of Ireland note for £10. No one doubted the goodness of the note, but no one could give change for it. Ten pounds in gold or silver, were not in the county; and as for credit, there was none to be had. In this extremity, with money—which was not money—and without credit, having tried butcher, baker, and confectioner, in vain, the gentleman gave up the idea of his dinner party in despair, and wrote to his friends to keep the engagement standing until he could procure cash or credit for a £10 note.*

ALDERMAN SIR R. C. GLYN.

ALDERMAN Sir R. C. Glyn, Bart., was remarkable for the liberality and generosity he displayed in assisting his customers when in temporary difficulty. An old client of the bank applied to the firm for a large advance. Sir Richard's partners were opposed to the proposal, but the alderman had greater faith, and, strenuously urging his views, carried them against his partners. A large sum was advanced to the customer, and this enabled him to triumph over his difficulties. The customer thus saved from pecuniary ruin, subsequently became very rich, and at his death left to the alderman an annuity of £5,000 a year, as a testimony of gratitude.

* Hardcastle's Banks and Bankers.

SPECULATION IN THE EIGHTEENTH CENTURY.

THE South Sea scheme, which was in itself the cause of so much excitement and ruin, turned men's minds from the ordinary pursuits of business and produced a fever for speculation, during which many ridiculous projects were started. There was one scheme for the discovery of perpetual motion; and two companies were actually concocted to secure the money of subscribers without any statement of the objects sought to be attained. One of them was stated to be a "promising design hereafter to be promulgated;" the other a "company for carrying on an undertaking of great advantage, but nobody to know what it is; every subscriber who deposits £2 per share to be entitled to £100 per annum." The projector of this latter scheme obtained £2,000 in five hours from his dupes, and immediately decamped. Another bubble was the issue of "Globe permits"—little bits of card on which there was a seal representing the Globe tavern and the words "Sail cloth permits." These cards merely gave the holder the right of subscribing to a sail-cloth company in contemplation; and yet these little "permits" sold at sixty guineas each, and even more, while there was quite a fever to procure them. The *London Journal*, of June 11, 1720, says: "The hurry of our stock-jobbing bubblers has been so great this week that it has exceeded all that was ever known. There has been nothing but running about from one coffee-house to another, and from one tavern to another, to subscribe without examining what the proposals were. The general cry has been, 'For God's sake let us subscribe to something; we don't care what it is.'"

FEEDING ON GOLD.

DR. Mackay, in his "History of Popular Delusions," says: "The overbearing insolence of ignorant men who had arisen to sudden wealth by successful gambling made men of true gentility of mind and manners blush that gold should have power to raise the unworthy in the scale of society. The haughtiness of some of these 'cyphering cits,' as they were termed by Sir Richard Steel, was remembered against them in the days of their adversity." During a parliamentary inquiry, one of the members made the following curious motion, in reference to a man named Grigsby, who, though he had once boasted

that he could feed his horse upon gold, was reduced to bread and water for himself: "That since that up-start had been so prodigally vain as to bid his coachman to feed his horses with gold, no doubt he could feed on it himself; and therefore he moved that he might be allowed as much gold as he could eat, and the rest of his estate go towards the relief of the sufferers."

Legal Miscellany.

INJUNCTION.—WATSON V. THE INTERNATIONAL BANK.

THIS case came before Vice-Chancellor Kindersley in the Court of Chancery on the 12th January.

It was a motion for an injunction to restrain the defendants from suing upon certain promissory notes and railway debentures, and from parting with or dealing with the same under these circumstances. The plaintiffs' case was that they were contractors in London and also at Bahia, in South America, and, wanting money, applied to Messrs. Wooley, Coates, and Hankey, brokers in London, to get them a credit for £15,000, which Messrs. Wooley obtained from Messrs. Gladstone and Co., merchants in London, for three months, with power to extend it to six months if the plaintiffs desired it. The plaintiffs, therefore, drew on Messrs. Gladstone three bills of exchange for £5,000 each, and the plaintiffs, as security to Messrs. Gladstone, gave three promissory notes for the same amount, at six months, which were deposited in the hands of Messrs. Wooley, not to be handed over unless, and until, the liability of Messrs. Gladstone accrued, and the plaintiffs also deposited in Messrs. Wooley's hands nineteen bonds or debentures of the Newry and Armagh Railway Company, for £18,000, on the same terms as the notes. It was then alleged that Messrs. Wooley, instead of holding these securities, handed them over to Messrs. Gladstone—one of whose firm, Thomas Hall Gladstone, was director and chairman of the London and Colonial Bank, Limited, which had dealings with Messrs. Field and Co., who were their debtors to a considerable amount, Messrs. Gladstone being also liable to the bank on other transactions. It appeared that there was another banking company called the British and American Exchange Banking Corporation, Limited, and that the two companies became associated, that is, the business of one was entirely transferred to the other, but such other remained still a corporation, but the name was changed, and was now represented by the defendants. The defendants then became aware that Messrs. Gladstone were liable to the Colonial Bank, and being called upon to give security, the bill suggested that the defendants alleged that a list of securities was given, including the three promissory notes and the nineteen bonds in question, representing them as together being of the value of £15,000 only, and not for £15,000 and £18,000, it being alleged in the same manner that the £15,000 was security for Field's debt, the £18,000 for that of Messrs. Gladstone. It was also alleged that Mr. Rixon, the plaintiffs' solicitor, had conversations with Thomas Hall Gladstone, on the foundation of which they assumed that his directors had information that the notes and bonds belonged to the plaintiffs and not to

the Messrs. Gladstone. Thomas Hall Gladstone had absconded, and the bank were proceeding to sue upon the notes and bonds, and this bill was filed to restrain them, for a declaration that they were trustees for the plaintiffs, for an account, &c. About a week previous an *interim* injunction was obtained at his Honour's private residence, with leave to amend the bill, and the motion was now brought on, on the ground that the fact of the list of securities furnished by Messrs. Gladstone was sufficient to put the defendants on inquiry, and that if they had not direct, they had, at least, constructive notice of the plaintiffs' rights, which were unquestionably clear as to these bonds. The defendants relied upon their legal title to sue, and contended that there was not sufficient allegation as to the list to prove any notice whatever; the plaintiffs, therefore, had neither legal nor equitable defence.

Mr. Baily, Mr. Glasse, and Mr. C. Locock Webb appeared in support of the motion; Mr. Rolt and Mr. Eddis opposed it; Mr. Anderson appeared for the Union Bank; Mr. W. Morris for the Colonial Bank; Mr. Methold for the Newry and Armagh Railway Company.

The Vice-Chancellor, after stating the facts, was of opinion that the questions of equity raised by the plaintiffs in opposition to the defendants' clear legal right to sue, independent of such equitable grounds, were questions to be decided at the hearing, and not on an interlocutory application; and the Court would abstain from deciding any question which it was not now absolutely necessary for it to decide. The plaintiff insisted, although his Honour thought the bill appeared to proceed on a different footing, that whatever the right was to the notes, that as to the bonds was unquestionably in the plaintiffs. With regard to the allegation of the list of securities, it was certainly not distinct, and both parties with equal justice insisted—the one that if not distinct, there were statements amounting to such allegation; the other that, not being distinctly alleged, it could not be assumed. His Honour's opinion was that the plaintiffs ought to have distinctly stated the fact, and the defendants distinctly to have denied it. No doubt the conversations between Mr. Rixon and Mr. Gladstone did pass, but the allegations in that respect were very unsatisfactory, and perhaps at the hearing something more definite might be elicited. Under these circumstances, there must be an order for the injunction, on the terms of bringing the £15,000 into court within a reasonable time, the *interim* order meanwhile to continue, and if the money was not brought in within the time, the motion to be refused with costs.

Mr. Baily then, after some discussion, said that the £15,000 should be brought in within a week.

THE LEEDS BANKING COMPANY.—VICE-CHANCELLOR KINDERSLEY'S COURT
(IN CHAMBERS).

On the 9th January, before Mr. Buckley, the chief clerk to Vice-Chancellor Kindersley, several solicitors attended upon the hearing of summonses on behalf of certain persons who had been "settled" on the list of contributories to the Leeds Banking Company, and now sought leave to have their names taken off the list.

There were only five summonses down for hearing, and out of that number there were further postponements in four cases ordered upon application by the chief clerk.

In the case of the Rev. Benjamin Firth, of Great Horton, near Bradford, Yorkshire, a Wesleyan minister, Mr. Braun appeared in support of the application for leave to be struck off the list, and Mr. Denton on the other side.

Mr. Denton, in stating the case, said that Mr. Firth had been settled on the list in his own right as a contributor for five shares in the Leeds Banking Company. He was so "settled" on the ground of his non-appearance. He had been settled on the list as a transferee of shares, having had shares transferred to him by the executors of Mr. George Hammond on the 16th of March last.

The Chief Clerk asked if that transfer had been approved?

Mr. Denton replied that the directors of the bank had approved the transfer to Mr. Firth, and upon his right as such transferee Mr. Firth applied for new shares, which were allotted to him, and it was in respect of those shares that the present application was made.

The Chief Clerk observed that that was equal to a confession on the part of the applicant.

Mr. Denton—Yes. He found that upon the 14th of December, 1864, an affidavit was filed by Mr. Braun on behalf of his client, in which it was contended that he should not have been put upon the list for those shares.

The Chief Clerk then read over some portions of the affidavit, from which it appeared that the applicant was not connected with the Leeds Banking Company up to February or March last, when at the house of Mr. Richard Wilson, who was one of the directors of the bank, he held a conversation, and Mr. Wilson spoke in high terms of the state of the bank, and produced a report of that year's date. He regretted that that report had been lost or mislaid, and therefore could not now be produced. He had also seen a prior report of 1863, and it appeared that there was a balance of £3,382. It was stated that they had always paid large dividends for some years past, and he consequently instructed a broker to purchase five shares for him, which was done; that he did not know there was any material difference in the state of the bank, and if he had any notion of the slightest deficiency in the assets he would not have had any shares transferred to him.

Mr. Denton.—Of course not.

The Chief Clerk.—No; I should think not. (Laughter.) The applicant further stated in his affidavit that he paid a deposit into the bank in the month of August. He had never received any dividend, he had not attended any meetings, neither had he been returned to the Stamp Office.

Mr. Denton said that the return in this case had been made to the Stamp Office.

The Chief Clerk having concluded reading the applicant's affidavit,

Mr. Braun submitted that his client was induced to take the shares upon the representations of the directors, or certain of them. He knew his friend Mr. Denton would rely upon Froud's case against him, but still he ventured to make the suggestion.

The Chief Clerk thought that the conversation between the applicant and Mr. Wilson was private.

Mr. Denton.—This was a conversation between two gentlemen in a private house, and the applicant was one of the two gentlemen. He did not take the shares from the bank, but went into the market, and his broker bought the shares for him.

The Chief Clerk said he had no doubt upon the matter. It was doubtless very hard upon the applicant, but he saw no reason why the name should be struck off the list of contributories. The summons would be dismissed.

Mr. Braun supposed it rested with his client whether the case was referred to the court.

The Chief Clerk.—Yes. I only record my own opinion.

Upon the question of costs, the Chief Clerk said that they must be paid by the applicant.

Mr. Denton said he had another matter to mention. He had to apply for an order to authorise the official liquidator to invest the sum of £75,000, which was in hand in Exchequer bonds. The question was whether that amount, which was a realisation of portion of the assets of the bank, should be so invested, or that they should wait until some more money had come in from calls. If the order were made it was proposed that the money should be sent to the Bank of England, and that they should employ a broker to invest it in bonds, which would bear interest.

The Chief Clerk said he wished that there should be no loss of interest on moneys in hand to any of the parties. But the question was as to the security for the money.

Mr. Denton said that the chief clerk could make his order to the Bank of England authorities.

Mr. Lordin (from Messrs. Freshfields and Newman) said it was laid down that all moneys could be so employed by order of the official liquidator and the chief clerk of the judge.

Mr. Denton said a further matter he had to ask leave to mention was, that all the small shareholders, say up to £50, should be allowed to pay in full at once. The sum from this class would amount to some £30,000.

The Chief Clerk thought he had no power to make any difference between the various classes of holders, and he believed that it would be impolitic, as the cost of making each small shareholder show by affidavit the exact amount of his holding would be equal to the expenses under the present course of proceeding.

Mr. Denton said that he would shortly be in a condition to show that a large amount of the calls (which were that day due) had been paid. The sum of £75,000 of which he had spoken was from assets alone, and quite irrespective of the calls which had been made.

It was ultimately arranged that the question of investing the £75,000 assets in Exchequer bonds should stand over for the present.

The proceedings were then adjourned.

Reports of Joint-Stock Banks.

BANK OF NEW SOUTH WALES.

THE half-yearly general meeting of the shareholders of the Bank of New South Wales was held in Sydney, on Wednesday, 26th October last; the Hon. G. Allen, M.L.C., in the chair.

The Secretary read the following report and balance-sheet:—

“The directors have the pleasure to present to the proprietors the follow-

ing abstracts of the bank's liabilities and assets, and of the profit and loss account for the half-year ended on the 30th ult :—

The net profits for that period, after deducting rebate on current bills, interest on deposits, providing for bad and doubtful debts, and reducing valuation of bank premises and office furniture, amount to	£74,176 16 8
To which are to be added—	
Recoveries from debts previously written off as bad or doubtful	2,106 8 11
Undivided balance from last half-year	3,896 15 8
Giving for distribution	<u>£80,179 16 8</u>

Which the directors appropriate as follows :—

To payment of dividend at the rate of 15 per cent. per annum—	
On old stock for six months... ..	£56,250 0 0
On new ditto, paid in the colonies, five months	8,172 10 0
On new ditto, paid in London, three months	1,894 10 0
	<u>£66,317 0 0</u>
On bonus at the rate of 2½ per cent. per annum on capital paid up... ..	11,052 16 8
On balance carried to "profit and loss" new account	2,809 19 7
	<u>£80,179 16 8</u>

"The proprietors will observe that a larger amount of new capital has been paid than was called for on the 27th April last, and upon which dividend is now being paid; the next payment will be due to-morrow, of which intimation has already been given.

"The directors have the pleasure to report the advantageous purchase of a site in London, upon which suitable banking premises are about to be erected.

"Branches of the bank have been opened in this colony at Richmond, and in Queensland at Bowen, Port Denison.

"It is the duty of the meeting to elect a director in the room of Thomas Buckland, Esq., who retires by rotation. Messrs. Thomas Walker, George Thorne, and R. A. Hunt are candidates for the office, and have given the required notice.

"It also devolves upon the meeting to elect two auditors in the room of Mr. James Milson, jun., and Mr. John Richardson, the latter gentleman being eligible for re-election.

"The dividend will be payable at the head office to-morrow, and at the branches on receipt of advice.

"For and on behalf of the Board of Directors,

"GEORGE ALLEN, President."

*Aggregate Balance-sheet of the Bank of New South Wales, September 30, 1864,
(including London Branch to 30th June, 1864, and New Zealand Branches
to 5th September, 1864).*

<i>Dr.</i>			
To bank stock—Old stock £750,000; new stock, paid up			
£181,280	...	...	£931,280 0 0
Reserve fund	...	...	310,426 13 4
Notes in circulation	...	...	591,687 0 0
Bills payable	...	...	1,547,105 2 7
Deposits and other liabilities	...	...	3,758,286 14 10
Profit and loss	...	...	113,338 7 2
			<u>£7,252,123 17 11</u>

<i>Cr.</i>			
By coin and cash balances	...	...	£1,293,709 17 7
Bullion in hand, and in transit to London, 30th September 1864	...	...	618,145 3 4
Government securities	...	...	310,300 0 0
Notes of other banks	...	...	9,272 0 0
Bank premises	...	...	115,160 10 0
Bills receivable, bills discounted, and other debts due to the bank	...	...	4,898,689 15 11
Insurance account...	...	...	6,846 11 1
			<u>£7,252,123 17 11</u>

PROFIT AND LOSS SEPTEMBER 30TH., 1864.

<i>Dr.</i>			
1864			
Sept. 30—To rebate (at current rates) on bills discounted not due at this date	...	...	£33,158 10 11
Dividend at the rate of 15 per cent. per annum	...	...	66,317 0 0
Bonus at the rate of 2½ per cent. per annum on capital paid up	...	...	11,052 16 8
Balance carried to "profit and loss" new account	...	...	2,809 19 7
			<u>£113,338 7 2</u>

<i>Cr.</i>			
1864.			
March 31—By amount from last account	...	...	£3,896 15 8
Sept. 30—By recoveries from bad debts	...	...	2,106 3 11
Balance of half-year's profits after writing off bad debts	...	...	107,335 7 7
			<u>£113,338 7 2</u>

The report was adopted.

Mr. Thomas Walker was elected a director in the room of Mr. Thomas Buckland, who retired by rotation.

Mr. J. Richardson was re-elected an auditor, and Mr. Francis Mitchell was elected an auditor in the room of Mr. J. Milson, jun., who retired by rotation.

The resolution to increase the stock on the London register to one-third

of the capital, agreed to at the special meeting held on the 28th September, was not confirmed, there being a large majority against it.

A vote of thanks was awarded to the directors, and the proceedings terminated.

BANK OF NEW ZEALAND.

THE half-yearly general meeting of the shareholders of this bank was held at the bank on the 28th of October; Mr. James Williamson, the president, occupied the chair.

The minutes of the last half-yearly meeting having been duly read by the Secretary, and confirmed, the Secretary read the sixth report of the directors, as follows:—

"Sixth report of the Bank of New Zealand, to the half-yearly general meeting of the proprietors held at the Banking House, Auckland, on Friday, the 28th day of October, 1864. The directors have to lay before the proprietors the following statement of the affairs of the bank as at 30th of September last, and while congratulating them on the increase of business, and generally successful manner in which it has been conducted, they have to express their regret that the monetary and commercial crisis which Southland has experienced during the past six months, and an indiscreet advance at Dunedin, have entailed losses much greater than may again be reasonably looked for, and but for which the profits would have been greater than during any previous half-year. Ample provision has been made for all bad and doubtful dependencies, some portions of which may yet be recovered. The net profit for the half-year, after providing for all bad and doubtful debts, and making considerable reductions in bank premises and furniture accounts, amounts to £32,295. 14s. 10d. To which is to be added—undivided balance from last half-year, £2,259. 17s. 11d.; making a total available for division of £34,555. 12s. 9d. With the addition now to be made to the reserve fund, it will amount to £100,000, being an excess of 25 per cent. of the paid-up capital of the bank. The directors, therefore, recommend the following appropriation of the above profits:—To payment of dividend at the rate of 10 per cent. per annum, £18,231. 16s.; to bonus equal to 5 per cent. per annum, £9,115. 18s.; to addition to reserved fund, £5,000; balance carried to profit and loss new account, £2,207. 18s. 9d.; total, £34,555. 12s. 9d. The dividend and bonus will be payable at the head office on Tuesday, the 1st proximo, and at the branches on receipt of advice.—For the Board of Directors, James Williamson, President."

"Balance-sheet of the Bank of New Zealand, for the half-year ending 30th September, 1864, including London Office Balance at 30th June, 1864.—Dr.: To paid-up capital, £392,614; to reserve fund, £95,000; to notes in circulation, £333,467; to bills in circulation, £240,964. 12s. 6d.; to deposits, £1,323,039. 8s. 7d.; to balances due to other banks, £99,343. 1s. 8d.; to balance of profit and loss account at 31st March, 1864, £2,259. 17s. 11d.; to net profits for half-year, £32,295. 14s. 10d.; total, £2,518,983. 15s. 6d. Cr.: By coin and bullion, £372,094. 3s. 9d.; by government securities, £350,000; by landed property, £17,442. 7s. 10d.; by bank premises, furniture, and stationery, £29,649. 10s. 3d.; by balances due by other banks, £142,676. 16s. 6d.; by notes of other banks, £1,150. 13s. 7d.; by balances due by colonial governments, £261,431. 2s. 1d.;

by bills receivable and all other advances, £1,344,539. 1s. 6d.; total, £2,518,983. 15s. 6d.

Profit and Loss Account.—Dr.: To increase of reserve fund, £5,000; to dividend at the rate of 10 per cent. per annum, £18,231. 16s.; to bonus at 2½ per cent. for the half-year, £9,115. 18s.; to amount carried to profit and loss, "new account," £2,207. 18s. 9d.; total, £34,555. 12s. 9d. Cr.: By balance of profit at 31st March, 1864, £2,259. 17s. 11d.; by net profit for half-year, £32,295. 14s. 10d.; total, £34,255. 12s. 9d.

Reserve Fund.—Dr.: To balance, £100,000. Cr.: By balance from last statement, £95,000; by amount transferred from profits of past half-year, £5,000; total, £100,000.—Audited (Signed) HENRY WALTON, W. C. WILSON."

The Chairman said that in rising to propose the adoption of the report he had to congratulate the shareholders on the great success that had attended the transactions of the bank, the large increase of discount business as well as of deposits. This was the first time that they were called upon to write off any large amount for bad debts, which, it must be remembered, was principally occasioned by the great financial depression that had occurred in the Southern provinces, and more especially in Invercargill. Taking everything, however, into consideration, the business was steadily prospering, while a glance at the totals of the balance-sheet showed that the business of the last half-year was fully as great as could reasonably be expected. He felt satisfied that their position was in every way a firm one, and would be productive of results still better than ever, the only thing required being the same expression of confidence in the directorship as had hitherto been the case. He would beg to propose the adoption of the report.

Mr. Owen seconded the motion, which was unanimously agreed to.

Messrs. J. O'Neill and Stark were appointed scrutineers to examine the voting for the office of directors in the room of Mr. Owen, who retired, and of Messrs. J. O'Neill and D. Nathan who had resigned; the gentlemen who had signified their intention of becoming candidates being Messrs. W. Williams, W. T. Buckland, Samuel Browning, and Thomas Henderson.

The ballot having been taken, the last-named gentlemen were declared to have been duly elected directors for the ensuing half-year.

Mr. Henderson begged to return thanks on behalf of himself and his brother directors for the honour that had been conferred upon them.

The Chairman remarked that this would conclude the business of the meeting, without there were any gentlemen present who had any questions to ask.

Colonel Mould said that in consequence of certain rumours that had got abroad—rumours in which he begged to state he in no way participated, nor did he feel sure any of the present meeting—he was induced to ask for public satisfaction some explanation regarding the large advances that had been made by the Bank of New Zealand to the colonial government, and relative to the repayment of the same.

The Chairman said that he had much pleasure in answering the question, and at the same time he had to thank Colonel Mould on behalf of his brother directors and himself for the expression of confidence that he had given utterance to. By last advices he was happy to inform the meeting that the colonial agents had informed them that they were prepared to pay off the whole of the advances, which communication had been subsequently certified to by the government itself.

Mr. Henderson rose to move a vote of thanks to the directors and officers of the bank for the valuable assistance rendered during the last six months. He was in no way surprised at the losses that had occurred down South; it was only to be wondered at that so few losses had been occasioned, considering the large amount of business that had been transacted, the amount of capital involved, and the numerous branches of the bank.

Colonel Mould seconded the motion, which was unanimously carried.

The Chairman, on behalf of himself and brother directors, thanked the meeting for their unanimous expression of satisfaction.

According to usage, the minutes of the foregoing meeting were then read and approved of, and the meeting broke up.

COLONIAL BANK.

The fifty-fourth half-yearly general meeting of the proprietors of this bank was held on the 4th January, at the London Tavern, Mr. C. Marriott in the chair.

The Secretary, having read the notice convening the meeting; proceeded to read the following report:—

"The directors submit to the proprietors, in accordance with the provisions of the charter, the following statement of the debts and assets of the corporation on the 30th June, 1864, which comprises the net profit of the half-year which ended at that period:—

DEBTS.

Circulation...	...	...	...	...	...	...	£257,691	8	4
Deposits, bills payable, and other liabilities	...	...	...	...	...	...	1,567,964	9	2
Paid-up capital	...	...	...	...	...	...	500,000	0	0
Reserved fund	...	...	...	...	...	...	123,000	0	0
Balance of profit from last half-year	...	...	...	...	...	...	537	0	1
Net profit for the half-year	...	...	...	...	...	...	36,868	19	10
							£2,486,061	17	5

ASSETS.

Specie	...	...	...	...	...	...	£321,912	9	8
Due to the bank in the colonies, on bills discounted and purchased, including those past due, &c.	...	...	...	...	...	...	974,846	19	9
Due to the bank in the colonies, on current accounts	...	...	...	...	...	...	16,205	12	2
Due to the bank in London, on bills remitted, cash at bankers', &c.	...	...	...	...	...	...	1,162,875	17	7
Bank premises and furniture in London and the colonies	...	...	...	...	...	...	10,220	18	3
							£2,486,061	17	5

"The business of the half-year now reported upon having had the benefit of the rise in the prices of colonial produce alluded to in the last report, as well as the high rates of interest prevailing here during that period, the directors found themselves in a position to recommend the payment of an extra dividend. They were happy to state that, according to the latest accounts, the business of the branches was going on very satisfactorily;

but the proprietors would have to bear in mind that the prices of colonial produce had considerably receded. The directors now proposed that out of the net profits, which, after providing for all bad and doubtful debts and income-tax, amounted to £36,868. 19s. 10d., an ordinary dividend of 6 per cent. should be made for the half-year ending June, 1864, being at the rate of 12 per cent. upon the paid-up capital of the corporation, which would require £30,000; and an extraordinary dividend of 1 per cent., which would require £5,000, leaving £1,868. 19s. 10d.; which, after adding the balance brought forward last half-year, £537. 0s. 1d., would make a total of £2,405. 19s. 11d. From this amount the directors proposed to carry to the reserve fund £2,000, increasing it to £125,000, and the balance of £405. 19s. 11d. to the next half-year."

The Chairman, in moving the adoption of the report, said that he hoped the shareholders would agree with him that it was sufficiently satisfactory to require neither any explanation nor a long speech from him. (Hear, hear.) He congratulated them on the fact that the board was able to repeat the additional dividend on this occasion, but he trusted that they would bear in mind what was stated in the report—namely, that although the branches had done very well, the proprietors were mainly indebted to the high rate of interest in this country. As regarded the branches, they had since the end of June been going on satisfactorily, but the business had not sprung so much as was expected owing to the high rate of sugar. A reaction, however, had now set in, and they already began to feel its effects. He had to inform them that since their last meeting the board had received proposals from the Bank of Jamaica to transfer their business to this bank on certain conditions, and it was an opportunity which offered of increasing their business which they gladly availed themselves of. Negotiations were accordingly entered into with that bank, the result of which was that the Colonial Bank had taken over their business, paying them £10,000 for retiring altogether. (Cheers.) By the last accounts they had received, it appeared that the Bank of Jamaica ceased business on the 31st of October, and he was happy to say that since then almost all the accounts had been transferred to this bank. (Hear, hear.) The Bank of Jamaica was, as they were aware, as old as this bank, being established at the same time, and sharing with it the business of the colony. For his part, he believed they would derive great advantage from this amalgamation, because being a local bank, the Bank of Jamaica possessed certain advantages, inasmuch as its supporters were more disposed to hang together than a general proprietary could be expected to do. He would mention also, that it had been thought convenient both to the proprietary and to the bank, that the divided warrants should be sent by post in future, instead of troubling gentlemen to come to the bank—(hear, hear)—which would not only save the time of the shareholders, but prevent the crowding and bustle at the bank, especially on packet days, occasioned by the proprietors being kept waiting for their dividends. With these observations he begged to move that the report be adopted, printed, and circulated. (Hear, hear, and cheers.)

The Deputy Chairman having seconded the motion it was carried unanimously, and a dividend in accordance with the statement in the report was declared.

The retiring directors were then re-elected, and Mr. Eden Colville was elected to fill the vacancy occasioned by the death of Mr. Henry Bruce, whose decease the directors deeply deplored. Mr. James Scott, for many

years one of the largest proprietors of the bank, was elected auditor, in the room of Mr. Colville; and a cordial vote of thanks to the chairman and directors for their able management concluded the proceedings.

UNION BANK OF AUSTRALIA.

A SPECIAL general meeting of the proprietors of this bank was held at the bank buildings on the 9th January, Mr. Robert Campbell in the chair, for the purpose of receiving the half-yearly report of the directors, and other business.

The Secretary (Mr. Saunders), having read the advertisement convening the meeting, proceeded to read the following report:

"The accounts which it is the duty of the directors to present at this supplementary meeting are so satisfactory as not to require any lengthened remarks from them; as usual their preparation has been preceded by a close investigation of the business of the bank at its various branches, and careful provision for everything that could be estimated as doubtful to latest dates. The results are considered by the directors to be very favourable, and they are gratified to report accordingly. The proprietors will notice the profit obtained by the disposal of unallotted shares, and the completion of the funds that were formed when the new capital was created; also that the remaining £50,000 of Imperial Four per Cent. Debentures has been obtained and applied to the reserve fund in terms of the proprietors' resolution of the 12th of July, 1858. The directors have been deprived during the half-year of the co-operation of two of their most esteemed colleagues by the resignation of Charles Edward Mangles, Esq., and the death of Thomas Young, Esq.; these vacancies have been provisionally filled by the nomination of Charles Henry Mills, Esq., and Sir Henry Watson Parker; the former a member of the firm of Messrs. Glyn, Mills, Currie, and Co., and the latter long and influentially connected with the colony of New South Wales, and with banking in Sydney. Both gentlemen, in accordance with the terms of the deed of settlement, now retire and offer themselves for election. The profits for the half-year, as shown by the subjoined statement of accounts, have enabled the directors to declare a dividend of £2. 5s. per share, after which there remains a balance of £1,320. 9s. 7d. to carry forward. The dividend will be payable in London on the 17th January, free of income-tax, and in the colonies as soon as the inspector shall fix after receipt of advices."

LIABILITIES.

Circulation...	...	...	...	...	...	...	£492,090	0	0
Deposits ...	...	...	...	...	...	...	2,631,379	16	6
Bills payable and other liabilities (including reserves held against doubtful debts)	...	...	...	...	...	...	845,940	13	2
Balance of undivided profit	...	...	...	...	...	...	118,128	12	3
Reserve fund	...	...	...	...	...	...	250,000	0	0
Insurance reserve account	...	...	...	...	...	...	75,000	0	0
Bank premises reserve account	...	...	...	...	...	...	75,000	0	0
Capital	...	...	...	...	...	...	1,250,000	0	0
							£5,737,539	1	11

ASSETS.			
Specie on hand, and cash balances	...	...	£807,977 14 0
Bullion	...	...	34,259 3 6
Bank premises and property	...	...	912,282 9 4
Government securities (British and Colonial)...	...	...	139,500 0 0
Local bills, bills receivable, and other securities	...	...	3,590,239 15 1
Instalments on new shares payable in the colonies	...	...	3,280 0 0
Reserve fund, invested as per statement	...	...	250,000 0 0
			<hr/> £5,737,539 1 11 <hr/>

STATEMENT OF PROFITS.

Balance of undivided profits at 30th June, 1864	...	...	£104,313 14 9
Out of which a dividend was declared of £95,000; and interest on new shares paid £5,005. 12s. 1d.	...	...	100,005 12 1
Leaving a balance of			<hr/> £4,308 2 8
Profits of the past half-year, after making provision for all bad and doubtful debts, £160,896. 16s. 10d.; profits on shares sold £5,427. 12s.—£166,324. 8s. 10d.; less remuneration to the local directors, and salaries and allowances to the colonial staff, £31,406. 16s. 1d.; general expenses in the colonies, including rent, taxes, stationery, &c., £12,854. 14s. 1d.; remuneration to the board of directors, salaries of London office staff, rent, taxes, stationery, and general expenses, £6,442. 9s. 1d.; income tax, £1,800 £52,503. 19s. 3d.	...	...	£113,820 9 7
Balance of undivided profits at this date	...	...	<hr/>£118,128 12 3 <hr/>

RESERVE FUND.

New Zealand Imperial 4 per cent. debentures	...	...	£200,000 0 0
Colonial 6 per cent. debentures...	...	...	50,000 0 0
			<hr/> £250,000 0 0 <hr/>

The Chairman said—I have very few observations to trouble you with in explanation of the report which you have just heard read. To vindicate a want of success generally requires a considerable amount of eloquence, whereas the features which our balance-sheet presents to you speak for themselves, and render but little comment on my part necessary. It is with much pleasure that I am able fully to endorse the statement made by the directors with regard to the soundness of the assets of the bank. (Hear, hear.) During the twelve years that I have had the honour of holding a seat in this direction, I have never known the various points of danger so carefully and thoroughly guarded by ample reserves as they are on the present occasion. (Hear, hear.) As this is the first half-year in which the working of the additional capital is shown, it is satisfactory to your directors to have it in their power to exhibit so good a balance-sheet, not only as justifying their policy in applying to you for an increase of capital, but as refuting the arguments of many of our shareholders who looked forward to diminished dividends as a consequence of that increase of capital. (Hear, hear.) This success is mainly attributable to the able and judicious manner in which the managers of the different branches, under the auspices of our chief inspector, Mr. McMullen, whom

I can most correctly describe as being actuated by the single desire of promoting the prosperity of the institution over which he presides, have carried out the policy of the board. (Cheers.) Now, the policy which the board in London has always pressed upon its officers abroad has been that of caution and safety in preference to large profits—keeping the assets of the bank in a lively and convertible shape, as much as possible free from all “locks up,” and to this course of policy Mr. Macmullen has steadily adhered. (Hear, hear.) We have now before us the history of the working of this large bank for nearly twenty-seven years; and I may safely say that, during all that period, the working has been characterised by almost unvarying prosperity; and I need hardly tell you that, during my twelve years’ experience we have distributed among the proprietors very large dividends indeed. (Hear, hear.) As to the future of the bank, I have no fear whatever. I can speak from personal knowledge of the vast and fertile area of the colonies with which we trade, and of their almost unlimited resources, tenanted as they are by an energetic population, yearly increasing, and producing as they do the greatest amount of exportable wealth in the smallest compass, in the form of wool and precious metals, with which they supply the world. Such being my sanguine views with regard to the future of the group of colonies with which we trade, I cannot but feel hopeful as to the prospects of a bank which aids by its capital and credit in the creation and distribution of this wealth; always assuming that the same caution and prudence which have hitherto marked the counsels of the institution be steadily persevered in. (Cheers.) I have to notice with sincere personal regret the retirement from our board of my esteemed friend Mr. Charles Mangles, who had been with us from the commencement of the operation of the bank. You will also have heard with regret, as we ourselves did, of the death, full of years, of our esteemed colleague Mr. Thomas Young. The regrets which the loss of these gentlemen has occasioned, however, are mitigated by the selections which the board has made to fill up the vacancies, and the accession to our body of two gentlemen of character, position, and banking experience, with whom we shall always feel pleasure in co-operating, and from whose counsels we expect to derive very great advantage to the bank. (Hear, hear.) In moving, “That the report and balance-sheet be printed and circulated among the proprietors,” I have only to add that I shall be happy to answer any questions that may be put to me, relative to the affairs of the institution, to the best of my ability.

Mr. Wilkinson agreed in what the chairman had said as to the working of the bank, because with more of their own and less of other people’s capital they had made an increased sum of money. It was always desirable to have their capital well up in proportion to their liabilities. He looked upon the state of the accounts as satisfactory.

Mr. Jephson remarked that although they were met as a society of friends they ought not to separate like a meeting of Quakers. They had to congratulate not only the board of directors but themselves upon the present position of the bank. (Cheers.) It was certainly emphatically a great bank, and he had reason to believe that it was conducted upon moral principles of the highest character. (Hear, hear.) Some twelve months ago they met under rather different circumstances, and were not quite so unanimous as they were that day. At that time they looked upon the board as hard task-masters in levying a £20 premium on the new shares; though he did not mean to say that he himself regarded them exactly in that

light; still such was the feeling then expressed. But he was happy to say, and he thought the most captious objectors were now satisfied, that they were reaping the reward of that tax, if he might be allowed to call it so. (Cheers.) When they reflected on the ordeal which this and similar institutions had gone through during the last six months, he considered that they had reason to be highly satisfied with an 18 per cent. dividend, and he congratulated the shareholders upon it. (Loud cheers.) He would not venture to caution the board; but he would take the liberty of reminding them that there was one evil which he feared all boards of directors were liable or prone to—he meant extravagance, or rather want of economy. (A laugh.) He was sure there was no one in the room who grudged the directors whatever remuneration they might take. They were worthy of it; and he hoped the meeting would not disperse without passing a vote of thanks to them and to the staff in the colonies. But he respectfully submitted that the expenses of the institution had always seemed to him to be large. He did not mean to say that they were unnecessary, and it was of course impossible for him to say in what particular department economy might be introduced; but he hoped that if £1,000 could be saved in one department, or even £100 in another, the directors would not miss the opportunity of doing so. At present the expenses approximated to those of a railway, being upwards of 45 per cent.

Mr. Wilkinson—They are only 32. (Hear, hear.)

Mr. Jephson was obliged for the correction, and proceeded to observe that one or two of the Australian banks had resorted to the practice of receiving money upon deposit. He wished to know whether the directors had considered this subject, or had any intention of following the example. He also drew attention to the recent loss of an Australian gold ship, and inquired whether the interests of the Union Bank were at all affected by the unfortunate event.

The Chairman replied that Mr. Jephson, in referring to the expenses, had put his finger upon the very item that most engaged the attention of the directors, and that to such an extent that amongst their rivals and neighbours they were called stingy. (Hear, hear, and a laugh.) His own opinion was, that there was no true economy in underpaying efficient officers, for upon them essentially depended the welfare of the bank. (Hear, hear.) At present they had 23 branches and 240 officers; and unless those gentlemen were paid well there would not be such results as were shown in the balance-sheet that day. (Hear, hear.) With regard to deposits, he was not then in a position to give an answer to the inquiry either affirmatively or negatively. The question had its difficulties, but was engaging the close attention of the directors. As to the gold ship he was happy to say that the interests of the bank were not in any way affected by her loss.

A proprietor noticed a large increase in the item "Bank premises."

The Chairman explained that four houses had been built and three partly built, at a cost of £24,000, and remarked that with a continuous growth of the bank it was impossible to limit the growth of the bank buildings. (Hear.)

Mr. Wilkinson—Then the revenue had had to bear about half of it.

The Chairman—The revenue had borne no part of it, and the increase was upon the whole year, not the half-year.

The motion for adopting, printing, and circulating the report was agreed to.

The Chairman moved the election of Mr. Charles Henry Mills as director.

Mr. Chapman, without questioning the qualifications of the two gentlemen whom the directors proposed to fill up the vacancies at the board, thought there was one gentleman among the shareholders to whom they must all feel exceedingly indebted for the services he had rendered them on several previous occasions; the person he alluded to was Mr. Wilkinson. (Hear, hear.) He had held no personal communication with Mr. Wilkinson upon the subject, but he felt grateful to him for his valuable advice on those occasions, and he had hoped that considering his great financial acumen the directors themselves would have come forward and recommended him to a seat at the board. (Hear, hear.) He hoped when next an opening presented itself that the shareholders would bring such pressure to bear upon the directors that they would themselves request Mr. Wilkinson to accept the offer.

Mr. Botley concurred with Mr. Chapman as to the eligibility of Mr. Wilkinson for a seat in the direction; but said it would be an unpleasant thing to propose a candidate in opposition to a gentleman who came recommended by the board. He trusted, however, that eventually the shareholders at large would consider whether it was not for their interest to infuse a little fresh blood into the direction.

The Chairman was sure that it was impossible to fulfil the hon. proprietor's desire to infuse fresh blood into the direction better than by the selection the board had made of Mr. Charles Mills; and the hon. proprietor who first spoke must have a very limited City knowledge indeed (Mr. Chapman: Very true) if he did not know the name of Mills in connection with the firm of Glyn, Mills, and Co. He wished to speak frankly. It was the duty of the directors under the deed to select the men they considered best for the interests of the bank, and that duty they would continue to discharge fearlessly and faithfully, as they had hitherto done it. (Hear, hear.) They felt that the destinies of the bank entirely depended upon it, and that unless the board were perfectly harmonious it would be useless to endeavour to bring their efforts to bear upon the management of the bank. He repeated that they would perform the duty committed to them by the deed fearlessly and faithfully. They would select the men they considered best for the interest of the institution; and it was for the proprietors assembled in general meeting either to confirm or reject that selection. (Cheers.)

Mr. Wilkinson having seconded the motion, the nomination of Mr. Mills was agreed to *nem. con.*

The Chairman proposed the election of Sir Henry Watson Parker as a director. The hon. candidate, he remarked, was a gentleman of large colonial experience, and had been chairman of a sister banking institution in the colonies.

Mr. Hamilton, in presenting a requisition, signed by twenty shareholders, for convening a special general meeting to consider the propriety of increasing the remuneration of the directors, as an act of justice to those gentlemen for having conducted the affairs of the bank so efficiently, said that the present capital of the company amounted to a sum considerably in excess of the paid-up capital of any one of the large joint-stock banking companies that were now carrying on business in this

country. This capital, moreover, had to be employed in distant countries, where competition was great, where deposits were comparatively limited, where the results of trade, industry, and enterprise were somewhat precarious, and where banking business was attended with special difficulties. Altogether, the duties that devolved upon the board in various ways were of a very onerous character. Now, from 1845 to 1852 the remuneration voted to the board was £2,000 a year; but in 1852 it was increased to £3,000, and the arrangement made with reference to that amount by the directors themselves was that the managing director should receive £1,000 a year, and that £2,000 a year should be divided among the eleven ordinary directors. In 1859 there was a further increase voted of £500 a year, but the effect of that addition was not to alter the position of the ordinary directors, but to augment the salary of that most valuable officer, Mr. Cumings, the chairman of committees. The arrangement so made existed at the present day. Mr. Cumings received £1,500 a year and his eleven colleagues divided £2,000 a year amongst them. That was a little more than £180 each, the sum voted to them in 1852, when the colonial business of the bank was confined to eleven branches, and the paid-up capital to £820,000, whereas there were now 23 branches scattered over the various Australian colonies and New Zealand, and the dividend had to be paid upon a capital amounting to £1,250,000. Under these circumstances, he submitted that the time had arrived for increasing this inadequate remuneration. (Hear, hear, and No.) He termed it inadequate, and it was so in every point of view. It was inadequate in comparison with the present scale of salaries allotted to the directors of other companies of no higher standing and with no more marked success than this. It was inadequate in reference to the duties that had to be discharged; and it was inadequate as an inducement to gentlemen of experience and judgment to come forward and work with the energy and diligence necessary to secure success. (Hear.) If the requisition to call a special general meeting were complied with, he should then take the liberty of submitting, for the approval of the shareholders, that the vote for the directors be increased by the sum of £1,300, thus making a total of £4,800, which he would ask them to recommend for distribution into two portions, viz., £3,600 to the twelve directors, including Mr. Cumings, thereby giving them £300 a year each, and £1,200 a year to Mr. Cumings exclusively as the managing director. The result of adopting this step would, he believed, be greatly conducive to the benefit of the bank.

Mr. Brookes, M.P. (a director), said that the duties of the directors were much more onerous than many gentlemen present would be aware of. They required the attendance of some members of the board every working day of the week; and the accounts from every one of their numerous branches had to be examined thoroughly before holding the general meetings. In short, no one outside the establishment could form a conception of the amount of business that was done there. At his time of life it was not very probable that he should continue many years to be associated with the board; but he thought it was only fair that the gentlemen who might come after him should be well paid. In his opinion there was not, for the amount of work performed, a single board of directors so badly paid as that of the Union Bank of Australia. (Hear, hear, and a laugh).

Mr. Cumings said that as his name had been mentioned, as he happened to be the only director who was adequately paid, and as he looked for no

increased payment, but would be contented with less if the shareholders thought proper—(cries of "No")—he begged to state that it was his thorough conviction that were it not for the strength of the interest the directors felt in the concern, it would be unreasonable to expect them to devote the business powers they possessed to the affairs of the bank, and not to feel that they were inadequately paid. For his own part, he would much rather surrender his remuneration, and let it be divided amongst the directors at large, than that his colleagues should continue to work as they had done without adequate pay. (Loud cheers.) Economy did not always consist in low salaries. Boards who rendered voluntary services were seldom useful boards, and clerks who were underpaid were seldom valuable clerks. (Hear, hear.) As a matter of prudence and economy, it was desirable that proprietors should feel that those who worked for them were rewarded for their labour, otherwise, by-and-by, the board might sink in the public estimation to a degree that would prove highly injurious to the interests of the bank. (Hear, hear.) The word "pressure" had been used in reference to the appointment of directors, and he thought that nothing would be more calculated to injure that interest than to press upon the board any person whom they, having the power of selection, had not themselves recommended. (Hear.) In making a selection the board always chose the best man, be he whom he might, and at such meetings as this they came before the proprietors on their trial. If they had not selected good men, the shareholders had the power of rejecting them, and making them go back and select others. And when that power was exercised the shareholders would show what real substantial ground they had for objecting to the men. Speaking on his own behalf, he would say for one of the new directors, Mr. Mills, for Sir Henry Parker had only just joined them, that a more active and attentive director, one that exhibited more astute intelligence in the work he had to perform, or that rendered more valuable services to the bank, had never sat at the board. (Cheers.)

Mr. Botley believed that there was no fear of the shareholders ever withholding their support from anything that was proposed by the directors here; and in seconding the nomination of Sir Henry Parker he begged to say that he had been assured by a friend who had a large stake in the Australian colonies, and was a member of parliament, that Sir Henry Parker had great colonial knowledge, and was otherwise a very fit man to occupy a seat at the board. (Hear, hear.)

The motion was agreed to, and

The Secretary having read a notice that the dividend of £2. 5s. a share, free of income tax, would be payable on and after the 17th inst.

A vote of thanks was carried by acclamation to the chairman, directors, and officers in London and the colonies for the able manner in which they had conducted the affairs of the bank.

LONDON AND BRAZILIAN BANK, LIMITED.

The second annual general meeting was held on the 9th January, at the London Tavern; Mr. J. White Oster in the chair.

The directors' report was taken as read. It said:—

"The net profit for the half-year ending June 30, 1864, amounts to £24,704. 12s. 11d. Out of this the directors propose to pay a dividend,

free of income-tax, of £1. 4s. per share, amounting to £15,600 (equal to interest on the paid-up capital after the rate of 6 per cent. per annum), and to carry forward the balance of £9,104. 12s. 11d. to the next account. The intention of the directors was to have recommended an increased dividend, but in consequence of the late important failures at Rio de Janeiro, it is deemed more prudent to carry over a large balance, and to make the distribution proposed. The opportune arrival in England of Mr. Saunders from the Rio branch, simultaneously with the announcement of the severe crisis in that city, not only afforded the directors the gratifying intelligence of the satisfactory position of that branch, but also that the losses were likely to be much less than at first anticipated, and there is every reason to hope that these will be more than compensated by diminished competition, and the general improvement of the business of the bank. By the last advices from the branches, the directors are happy to say the operations of the bank are progressing most satisfactorily. They are also glad to report a steady increase of business in Portugal."

The Chairman congratulated the shareholders on the proceedings of the half-year ending 30th June last. The business of the bank during that period had considerably increased. The gross profit made in the previous half-year was £34,000 against £41,000 in the half-year now under consideration, being an increase of £7,000. The charges in the mean time had, however, increased to about £7,000 in the half-year ending June, 1864, from about £4,000 in the previous half-year. Of this increase between £1,400 and £1,500 had arisen from a cause not to be regretted, viz., the additional amount paid for income-tax, £200 from other additional taxation, and £1,400 from what he might consider extraordinary outlay, viz., £800, the reward paid to an officer of the bank who had resigned to enable them to reduce their expenses at Oporto, and which would therefore come back to them in the shape of expenses saved in future years, the balance of this extraordinary outlay being for furnishing the house and offices of the bank at Lisbon. Although the net amount with which they had to deal was equal to, not quite but very nearly, a dividend at the rate of 10 per cent., he believed that the course which the directors recommended was healthy, and, in the position in which the bank stood, necessary. As they were aware, the capital of Rio had recently been visited by one of the severest money panics that had perhaps ever taken place, the failures during three days having amounted to between £10,000,000 and £12,000,000, and it was only the caution and prudence the board had always exercised of looking not so much to present dividend as to the permanent interests of the concern, or in other words, more to principle than what might be deemed expediency, that they had escaped as well as they had. Therefore, when they proposed to pay only a 6 per cent. dividend, carrying over £9,100, which would remain as a fund towards guaranteeing or paying off any losses that might have occurred in consequence of the crisis, he submitted that they were adopting the wisest course. (Hear, hear.) He wished he could say that that £9,000 would be likely to cover all the losses they would have to meet. He believed that it would cover very nearly all the loss at Rio; but they had made a loss of between £3,000 and £4,000 at Pernambuco, for which it would be necessary to provide. Notwithstanding these losses, however, the directors were glad to be able to state that the bank had never stood in a higher position. It had during a period of almost unparalleled

difficulty been enabled to meet all calls upon it. Since the panic its business had largely increased, and without presuming to indulge in prophecies or make promises as to the future, he felt fully justified in saying that its prospects looked remarkably well. In conclusion, he read an extract from a communication from the inspector at Rio, dated 7th December, describing the evident improvement which had taken place in the business of the bank since the previous mail, adding that many new accounts had been opened, and that if the concern was managed with prudence a very splendid future was opening up for it.

The Chairman moved a resolution adopting the report and confirming the dividend.

A Shareholder inquired whether the loss stated by the chairman included all that had resulted to the bank from the monetary crisis in the Brazil.

The Chairman—So far as we can at present estimate it, the entire loss at Rio will not exceed £10,000. The only other loss we have incurred is one of £3,400 upon a cotton bill at Pernambuco. The government of Brazil passed a bill in consequence of the crisis stopping all legal proceedings on account of liabilities for sixty days; and it tells much for the credit of the people of Rio, that we had not a single defaulter during the whole of that period. (Hear, hear.)

Mr. White, referring to the oscillation in the market price of the shares of late, said he had been informed that it was mainly occasioned by the extensive speculative operations of one of the directors, Mr. Bischoffsheim, who, it was alleged, used information obtained by him as a director or privately in influencing the market for his own personal benefit, and to the disadvantage of the general body of the shareholders. Shortly before the news of the financial crisis at Rio the shares stood at 21, or 11 premium, at which sales were pressed, and suddenly they fell to 5 discount, at which for some time they were not saleable. He himself had purchased 50 shares at the high premium, and although the transferrer was not Mr. Bischoffsheim, he had reason to believe they formed a portion of those which had been held by that gentleman.

The Chairman was very sorry that a discussion upon such a subject should have arisen, but although he did not like to see a director dabbling in the shares of the company, and putting them up or down at his pleasure, he should be sorry to admit that a director was debarred from the privilege which every other shareholder possessed, of buying or selling shares as he thought proper. At the same time he agreed with Mr. White that it was most improper for a director to use information which he might receive as a member of the board, and before it was generally known, for the purpose of biasing the market for his own advantage, and he hoped that no member of that board had ever done so.

Mr. White admitted that directors had the same right to go into the market and buy and sell shares as the other shareholders had, but contended that they had no right to avail themselves for that purpose of information which, as members of the board, they might receive, to the prejudice of the other shareholders or of the public.

Mr. Nelson thought some explanation was due to the meeting from Mr. Bischoffsheim, and that if such transactions had taken place as Mr. White had spoken of, steps should be taken effectually to prevent their recurrence.

Mr. Bischoffsheim said—The only reply I shall make is, that I shall be

very happy to give up the very arduous duty which at present devolves upon me in connexion with the directorate of this bank, if such be the desire of the shareholders. If I have ever dealt in the shares of the bank—as I admit I have—it has always been with a view of benefiting the company generally, and not for my own personal advantage.

A Shareholder said he had purchased 40 shares at 24 premium; he had seen them since at 10 discount. That was, he knew a person who, in a moment of fright, sold at that price. He did not mind losing his money, but he did not like to have his property made ducks and drakes of by a director who used the information which he obtained officially to get the shares up to a high price and then selling them, with a view of buying them back at a very low price, and who at some future time could use information reaching him in the same way to reduce the market value.

The Chairman said that so far as his memory served him, he could state that the telegram received at the office announcing the financial crisis at Rio was anything but decisive in so far as it ought to have influenced the market price of the shares. It reported that in regard to the bank everything was satisfactory. The fall, no doubt, arose not from any information from the office, but from the panic which always followed the news of such a crisis. He might add that although the telegram stated that everything in regard to the bank was satisfactory, he thought at the time that it would be necessary to make a call in order to meet the pressure which was likely to come upon them. Not only had that necessity been avoided, but he was happy to say that the bank never stood higher than it did at the present moment, or promised with more certainty to reward those who had embarked capital in it.

Mr. Vilmage bore testimony to the exertions of Mr. Bischoffsheim in furtherance of the interests of the London and Brazilian Bank, and contended that the fall in the value of the shares was the natural result of the reports of failures to so large an extent having occurred at Rio. He knew personally that Mr. Bischoffsheim had discouraged his friends and others from purchasing when the shares stood at the high premium. He regarded the attack upon that gentleman, who was, he believed, the largest shareholder in the company, and had done all he could to promote its interests, as most unjustifiable and unwarranted.

In reply to questions, it was stated that shares were quoted on the Stock Exchange immediately before the news of the financial crisis at Rio reached this country at from 8 to 10 premium, and that Mr. Bischoffsheim still held 281 shares in the company, besides a much larger number held by his family and friends.

A Shareholder suggested that a committee should be appointed to inquire into the charge against Mr. Bischoffsheim.

The Chairman, after speaking to Mr. Bischoffsheim, said that that gentleman objected (as he himself did) to a committee, but was willing to afford Mr. White or any other shareholder every facility for the most searching investigation as to any transfer of shares made by or to him. He did not think that if a person was over anxious to buy, a director was to be blamed for selling at 21, although his opinion might be that the shares were not worth so much.

Mr. Bohn remarked that that might be all very well in the abstract, but it was to be remembered that when a director sold or bought largely it was sure to influence the market.

After some further observations the discussion dropped, and the motion for adopting the report and affirming the dividend of £1. 4s. per share, free of income-tax, was then seconded by Mr. Alexander (director), and carried unanimously.

The directors and auditors retiring by rotation were re-elected, and the usual vote of thanks to the chairman and directors was accorded; in replying to which, the chairman expressed his satisfaction at the progress and prospects of the Portuguese branches.

UNION BANK OF LONDON.

THE half-yearly meeting of the proprietors of this bank was held on the 11th of January, at their house in Princes-street, City. Mr. P. N. Laurie in the chair.

The Assistant Secretary, Mr. O. Beville, in the absence through illness of Mr. Newmarch, the secretary, read the following report and statement of accounts:—

“The directors have to report that the net profits of the bank for the six months ending 31st December last, after payment of all charges (including the sum of £164,375 12s. 4d. for interest paid and due to customers on their current and deposit accounts), and making ample provision for all bad and doubtful debts, amount to £180,195 2s. 11d., which, with £363 6s. 2d. brought forward from 30th June last, amount to £180,558 9s. 1d. The directors now declare a dividend for the last six months at the rate of 15 per cent. per annum, and a bonus of 2½ per cent. on the increased paid-up capital, being at the rate of 20 per cent. per annum, clear of income tax. The 20,000 new shares issued under the authority of the special general meetings held in July last, were all claimed by the proprietors, except 65 shares; and in order to complete the capital, the directors have debited the profits of the half-year with £1,950, the amount of such unclaimed shares. In accordance with the resolutions of those special general meetings, the paid-up capital of the bank has been thus raised from £900,000 to £1,200,000, and the reserved fund from £67,000 (the amount at which it stood in July last) to £300,000, by the addition of £233,000, part of the amount received from premiums on the new shares. The directors are of opinion that the reserved fund is, for the present, adequate in amount, and they have therefore appropriated the balance of the premiums on the new shares, amounting to £67,000 towards a buildings investment account. After payment of the dividend and bonus, amounting together to £119,182 10s., and appropriating £67,000, received from premiums, to the buildings investment account, there will remain a balance of £61,375 19s. 1d. to be carried forward for appropriation at the end of the financial year in July next. The directors recommend that the 65 unclaimed shares should be placed at their disposal, to enable them to apply the dividends in the temporary relief of some of those urgent and unforeseen cases of pressure from illness, which occasionally occur amongst the clerks in the establishment.”

GENERAL BALANCE.

LIABILITIES.

Capital—£10 per share paid up on 60,000 shares £500,000 ; £5 per share added out of reserved profits £300,000 ; £15 per share paid up on 20,000 shares, 1864, £300,000	...	...	£1,200,000	0	0
Due by the bank on current accounts, deposit receipts (including interest accrued), and other obligations	...	...	18,807,393	3	7
Reserved fund, invested in Consols, as per contra	...	...	300,000	0	0
Buildings investment account	...	...	67,000	0	0
Rebate on bills not due	...	...	47,302	4	2
Balance at credit of profit and loss	...	...	180,558	9	1
			<u>£20,602,253 16 10</u>		

ASSETS.

Cash in the bank £378,527 2s. 7d.; cash in Bank of England £600,778. 6s. 10d.; cash lent at call £1,058,000	...	...	£2,532,305	9	5
Investments in Government stock, Exchequer bills, Debentures, &c.	...	...	1,227,003	9	6
£337,078. 13s. Consols, reserved fund	...	...	300,000	0	0
Bank premises consisting of freehold buildings in Princes st., Mansion House street, Argyll place, Fleet street, and Chancery lane; and lease and fixtures of No. 4, Pall Mall East	...	...	183,491	13	0
Loans, bills discounted, &c.	...	...	16,359,453	4	11
			<u>£20,602,253 16 10</u>		

PROFIT AND LOSS ACCOUNT.

Dr.

Dividend at the rate of 15 per cent. per annum	...	...	£89,386	17	6
Bonus, 2½ per cent.	...	...	29,795	12	6
			<u>£119,182 10 0</u>		
Balance, being undivided profit carried forward to next half-year	...	...	61,375	19	1
			<u>£180,558 9 1</u>		

Cr.

Profit unappropriated on June 30, 1864	...	...	£363	6	2
Amount of net profit of the half-year ending Dec. 31, 1864, after deducting all expenses and interest paid and due (£164,375. 12s. 4d.), allowed to customers on their current and deposit accounts	...	...	180,195	2	11
			<u>£180,558 9 1</u>		

The Chairman said it became his duty, on behalf of the directors, to declare a dividend for the past half-year of 15 per cent. per annum, and a bonus of 2½ per cent. free of income tax, payable on and after Friday, the 20th January. He had next to move the reception of the report, and he thought that on behalf of the directors he might fairly congratulate them on the balance-sheet which they were able to present (hear, hear), enabling

them to pay a provisional dividend on their increased capital—a capital not in their hands for seven weeks out of the six months, but on which the dividend was paid for the six months. The new capital had not to be paid till the 18th August, and very few persons troubled the bank with their money before that time. He felt it right to point out that the present half-year was somewhat exceptional, seeing the high rate of interest which had ruled, amounting to an average of about 8 per cent. That had now gone down to 6 per cent., he was happy to say, for these high rates of interest were not desirable. For bankers were better off when their customers were rich than when they were poor, and the high rates pressed heavily on the springs of commerce. They must bear in mind this fall in the rate of interest, and not be surprised if in the next half-year there was not so large an amount. It was fortunate that this alteration would take place, if at all, in the latter half of their financial year, and the amount they as usual carried forward would, of course, balance any diminution that might take place, and enable them to look forward to the next year with feelings of hope and congratulation. This being, as he had said, the first six months, the statement laid before them was simply provisional, as was the payment, which was on account. Those of them who lived to meet in July would no doubt find a satisfactory account before them: they would then have before them the profits of the whole financial year, which would have to be dealt with as the circumstances justified. As to the 20,000 new shares, they were readily accepted by the proprietors, and he was happy to say that it had had the effect of increasing their proprietary. It had brought in about 150 new proprietors, and they now numbered 1,500 or 1,600 proprietors second to none in respectability in England. He thought that they would all approve of their completing their capital by debiting the profits of the half-year with £1,950, the amount of the 65 shares that were not taken up. The cause of these shares remaining was twofold; some of them arose from the fractional division of shares, and others were those where parties being entitled to one or two did not think it worth while to take them up. The capital had now been raised to £1,200,000, and the reserve fund to £300,000. The directors thought that was sufficient at present, although at some future time it might be thought desirable to augment it. As to their buildings, they had carried £67,000, the balance of premiums received, to the building investment fund, which the directors thought the best mode of disposing of that sum, and they proposed that whenever it was found advisable and the funds justified it to place a sum of money to the accounts for the cost of their premises. All these were freehold except those in Pall Mall and the building in which they were assembled. This building, however, was held under the Goldsmiths' Company, who dealt very fairly with their tenants, and the value of the lease had considerably increased since the bank had possessed it. He congratulated the proprietors on the large amount carried forward for the end of the financial year, when no doubt they would be able to give a good account of themselves. The condition of their business was highly satisfactory in every department. In the last part of the report they would concur, he was sure, that the 65 shares should be placed at the disposal of the directors to form a fund to meet casualties that must occur from illness or otherwise amongst the clerks of the establishment. The attention of the directors had been frequently directed to making provision for their clerks in age or sickness, but the matter was one of very great difficulty. The London Joint-stock Bank, in 1846, and the London and Westminster Bank, in 1859, proposed creating

a fund for this purpose, but found it impossible, so great were the difficulties besetting such a scheme. The Union Bank of London took this course. They gave such salaries he would make bold to say now—and he hoped he might not be considered as criticising any other establishment, but they paid salaries equal, he would not say more than, the salaries and bonuses paid by any other joint-stock establishment in the City. They were fully impressed with the deserts of this numerous and important part of their establishment, and they treated them with consideration, and gave them salaries that would enable them to make that provision which every prudent man would make. A committee twice each year revised all the salaries, and did justice to all parties. With these observations he moved that the report be adopted.

Mr. Farquhar seconded the resolution, and it was carried unanimously.

Mr. Fitzgerald thought in the state of their accounts at present a bonus to the clerks would be highly desirable. He was quite dissatisfied on this point.

A Shareholder.—You stand in a glorious minority of one. (Laughter).

The report was adopted unanimously.

Mr. Hialop moved a vote of thanks to the chairman and the board of directors.

Several gentlemen rose and expressed their anxiety to second the motion, which was carried unanimously.

The Chairman briefly acknowledged the compliment.

A vote of thanks to Mr. Scrimgeour, the manager, and the officers of the bank was agreed to, and briefly acknowledged by the manager, and the meeting terminated.

METROPOLITAN AND PROVINCIAL BANK.

THE sixth ordinary general meeting of proprietors was held on the 13th January at the London Tavern; Mr. Gilpin, M.P., in the chair.

The following report and statement of accounts was read by the Secretary:—

The directors regret that they cannot congratulate the shareholders on the satisfactory progress of the bank during the half-year ending the 31st December last. They have, unfortunately, to report that a considerable amount of previously reserved profit has been absorbed, and they cannot, therefore, at this meeting, recommend the payment of a dividend. In the preparation of the balance-sheet, provision has been made, amply sufficient in their judgment, for every bad and doubtful debt—the usual proportion of preliminary expenses has been written off—and the current expenses have been paid, with the exception of the amount, appropriated under the Articles of Association, to the remuneration of the directors, which, in the present instance, they propose not to accept.

The position of the bank, on the first of January, may be briefly stated as follows:—

A subscribed capital (held by 535 proprietors) of	...	...	£1,934,700	0	0
A paid up capital of	...	...	809,380	0	0
A reserved fund of...	...	...	10,000	0	0
And a balance of	...	...	3,073	5	10
carried forward to the profit and loss new account.					

It is an encouraging fact that, while consequent on the condition of the money market, during the period under consideration, the customers' balances have decreased in amount, no material diminution has taken place in the number of the accounts; and the directors have great confidence that by careful and judicious management, and the co-operation of their shareholders, they will be able to place the bank in a greatly improved position.

The directors who retire by rotation are Charles Gilpin, Esq., M.P., John George Homere, Esq., and John Stewart Margetson, Esq., who are eligible for re-election.

The auditors, Henry Chatteris, Esq., and Arthur Cooper, Esq. (public accountants) both retire, and offer themselves for re-appointment.

STATEMENT OF ACCOUNTS.

LIABILITIES.

Amount of paid-up capital	...	...	...	...	...	£309,380	0	0
Reserved fund account	...	...	...	...	...	40,000	0	0
Amount due by the bank on current and deposit accounts	£391,950. 1s. 4d.; acceptances, credits, &c., against securities	£125,492. 18s. 9d.	...	...	...	517,443	0	1
Balance of profit and loss, after paying interest on current and deposit accounts	...	...	...	...	...	23,677	6	5
						<u>£890,500</u>	<u>6</u>	<u>6</u>

ASSETS.

Cash in hand, and money at call—head office and branches	...	...	...	...	...	£110,791	4	10
Investments—Consols, East India Debentures, City Bonds (at cost)	...	...	...	...	...	58,191	5	0
Bills discounted, loans, &c.	...	...	...	...	...	522,509	18	8
Securities held against acceptances, credits &c.	...	...	...	...	...	125,492	18	9
Freehold and leasehold property, furniture, bank fittings head office and branches (at cost)	...	...	...	...	...	9,110	18	8
Balance of preliminary expenses	...	...	...	...	...	14,725	0	0
Current expenses	...	...	...	...	...	5,210	14	11
Allowance for bad and doubtful debts	...	...	...	...	...	44,468	5	8
						<u>£890,500</u>	<u>6</u>	<u>6</u>

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1864.

Dr.

Current expenses, including salaries, rent, stationery (at head office and branches)	...	...	...	...	...	£5,210	14	11
Loss by bad and doubtful debts	...	...	...	...	...	44,468	5	8
Amount written off preliminary expenses	...	...	...	...	...	925	0	0
Reserved fund account	...	...	...	...	...	10,000	0	0
Ebate of interest on bills discounted, not yet due	£1,903. 11s. 4d.; unappropriated balance	£1,169. 14s. 6d.;	...	...	...	3,073	5	10
carried to profit and loss new account	...	...	...	...	...	<u>£63,677</u>	<u>6</u>	<u>5</u>

<i>Cr.</i>							
Balance of profit and loss...	...	...	...	...	...	£23,677	6
Reserved fund account	...	...	...	...	...	40,000	0
							<hr/>
							£63,677 6
							<hr/>
RESERVED FUND ACCOUNT.							
Brought down	...	...	...	...	...	£10,00	
							<hr/>

The Chairman said that the present meeting was held a fortnight earlier than the usual time, the directors being desirous to take the very earliest opportunity of meeting their brother shareholders, for the purpose of laying before them a full and simple statement of the affairs of the bank, and without any attempt to gloss over the past or excuse anything that had been done, to lay before them the plain facts of the position in which they now stood, and to ask their sanction to the report. (Cheers.) Some dis-appointment had been expressed by one or two shareholders at not receiving the report some days before the meeting, but the early period at which they met had prevented the reports being sent round so far in advance of the meeting as might have been wished. In fact it was only on the previous day that the accounts were signed by the auditors, and the moment they were signed the report was put into the hands of the printers, and copies were sent round as soon as possible. He had held the position of chairman something under twelve months, and it had been his good fortune at the last meeting, six months ago, to congratulate the shareholders on the favourable prospect of their affairs. Now it was his misfortune to have to unite with them in regretting that they had been less successful during the past six months than they had expected. The accounts, as they would see, were somewhat varied in form, as compared with those presented at the previous half-yearly meetings, and he hoped the shareholders present would recognise the alteration as an improvement. (Hear, hear.) I had been made in accordance with the suggestions of several proprietors and partly, as he was bound to admit, in consequence of remarks published in certain leading financial journals as to the general mode of making up banking accounts. As he had said, there was no attempt in the statement now laid before them, to gloss over anything that had occurred, and the names of the auditors who had signed the accounts, and who had, to his knowledge, gone most carefully and accurately through them, were sufficient guarantee that they were in all respects correct. With regard to the overdue bills, the directors did not ask the meeting to take the opinion of the general manager alone as to their value. They had been tested by committee, as well as by the auditors and the professional accountants at the office. In making up the accounts, it would be observed that the amount due from the bank on deposit and current accounts was separated from the amount due on acceptances and credits, while, on the other side, the freehold and leasehold premises and furniture were separated from the preliminary expenses. (Hear, hear.) In the results of the past half-year they had to deplore very considerable losses, but those losses were stated at their full extent, without any attempt to make them appear less than they really were. Those losses might fairly be attributed to the crisis through which they had passed, to the financial pressure which had everywhere prevailed, to the high price of money, and to other circumstances of a similar nature which necessarily weighed with peculiar heaviness upon a new bank. But beyond this the

had incurred serious losses from what he would call exceptional transactions (hear), and which he freely acknowledged on the part of his brother directors and himself would not, with their present experience, have been entered into—(hear)—losses occasioned by unwise advances—(cheers)—not, as was generally supposed, advances made merely upon the security of the shares of the bank, but on securities which the directors, from the information furnished to them, deemed ample at the time, although afterwards they did not turn out to be so, and they were consequently thrown back upon the bank shares which had been deposited with them as a collateral security. (Hear, hear.) He could easily understand the half-cheer with which some of the shareholders present had received the acknowledgment that the bank had made questionable advances; but was it not better that the directors should openly state the facts than attempt to conceal or excuse it? (Hear.) Some articles had appeared in the papers in reference to the alleged impropriety, if not illegality, of making advances upon the security of the shares of the bank under any circumstances. With regard to the undesirableness of such a practice there was no difference of opinion between the board and the editor of the journal he referred to; but the point he wished to insist upon was that the directors had not made advances separately and simply upon the shares of the bank, but upon securities which at the time they had a right, from the best information they could obtain, to believe were sufficient, and that the shares were only taken as a collateral security. Let him add to that, had that information proved correct the bank would have been a very considerable gainer, and not a loser by these transactions. (Hear, hear.) It was some satisfaction to be enabled to say that during the severe crisis through which they had passed the bank had not limited in any way the ordinary accommodation it was accustomed to give to its customers, and although they might fairly have done so, the directors had not made any call upon the new shares, knowing as they did that in such a period of monetary pressure any such step must necessarily have been attended with considerable inconvenience. (Hear.) Then with regard to their paying no dividend, he was quite aware of the unpleasant position in which the chairman of such a company stood in presiding over a meeting when he had to announce that no dividend could be paid; still there was this ground of satisfaction for the proprietors, viz., that the directors were themselves amongst the largest shareholders, and held amongst them, and through their personal friends, a very large proportion of the entire capital of the concern, so that if the general body lost by the unfortunate results of the half-year, they were themselves losers to at least an equal extent. (Hear.) It was stated in the report that the directors did not intend, under the circumstances, to take their fees. Some might think that it might have been as well not to have made any change from the usual course in this respect, or at all events not to have made any reference to it. But the directors felt that as the losses which had resulted in the non-paying a dividend had occurred under their management, there was but one course for them, as men of honour, to pursue, and that was to decline taking anything out of the concern for their own services. (Cheers.) But although they had been serious losers from the financial pressure of the past half-year, they did not stand alone. Other banks had also sustained serious losses, and their directors would, no doubt, do as the directors of the Metropolitan and Provincial were doing—come forward and make a clear statement to the shareholders. All he would say was that if those other establishments

to which he alluded had not made a dividend during the half-year, he hoped they would follow the course taken by this bank and not declare one. (Hear, hear.) But he was old enough to recollect other joint-stock banks that had been in difficulties. Thirty years ago a bank which now held the foremost place amongst the monetary establishments of the City was under a cloud compared with which the present difficulties of the Metropolitan and Provincial were absolutely bright sunshine. He was told, the other day, that thirty years ago that establishment, the giant of Lothbury, which was now second only to the Bank of England, was in such a position of difficulty that its balances were drawn down to the lowest amount, yet it had recovered, and, as they knew, was now the most flourishing joint-stock bank in the country. Another bank, a near neighbour of their own, and also one of the most important, at one time, through the mismanagement of its chairman, had its shares brought down to a very low point, yet it was now recognised as one of the most successful banking concerns in the City; and a still nearer neighbour, which on one occasion, when from unfortunate circumstances it did not make any dividend, had the prudence and the courage not to declare any, found that from that time it increased in public confidence, its business and its profits went on year by year increasing, until now it was one of the most successful financial establishments we had. (Hear.) Having stated the unfortunate results of the past, he would now allude to the encouraging features which appeared in the future. After a commercial storm such as we had rarely seen, or might again expect to see for many years to come, it was a subject for congratulation to find that their capital was intact, and that they had a larger reserve now than they had twelve months ago. (Hear.) They had also a much larger number of accounts, and they had in addition, what ought to be of great advantage to them, a largely added experience. An analysis of the accounts would show that the shares of the bank were, if they closed the concern to-morrow, worth at least £21 each, without reckoning a single farthing for the goodwill of a business which produced a gross profit of from £30,000 to £40,000 in the half-year. (Hear, hear.) These were encouraging features. (Hear, hear.) He moved the adoption of the report, which he submitted on behalf of himself and his colleagues, as a simple statement of facts, thoroughly investigated by professional accountants of character and position, whose names were a sufficient guarantee of the correctness of what they had certified. He invited discussion, and promised to answer all questions put to him fairly and frankly to the best of his ability. (Hear, hear.) All he would ask the gentlemen present was to bear in mind that they had a great property at stake, and so conduct the discussion as not to injure the property. (Hear, hear.) He was asked by a note which had just been handed up to him to state that which was another encouragement—namely, that the present value of certain of their premises—it was not perhaps exactly advisable to particularise—had very largely increased—so much so that according to an estimate recently made by one of the first surveyors of the day the increase would form of itself a very considerable asset. The board had, however, thought the better course was to put down everything in the accounts at cost price—for this reason, that they did not wish to make things appear in any respect better than they really were. (Hear, hear.) It was his turn, he was glad to say, to retire from the direction at the present meeting—(no, no)—and it would be observed that it was not stated in the report that he sought to be re-elected. In fact, it would be to him

personally a very great relief if the proprietors would liberate him from his present position. (No, no.) He took the chairmanship originally very reluctantly, but at the unanimous request of his colleagues. He had paid the best attention in his power to the interests of his brother proprietors, but had failed to achieve what he aimed at. At the same time he was not the man to desert his ship amid the breakers or the supposed breakers—(cheers)—and if it should be the pleasure of the meeting to replace him, not in that (the chairman's) seat, but as one of the directors, they should have the best services he could possibly render. (Cheers.) But whether on the one side of the table or the other, he hoped often to meet his brother shareholders of the Metropolitan and Provincial Bank, and he was greatly mistaken if the day did not soon arrive when the misfortunes and discouragements of the past would be lost and forgotten in the successes and encouragements of the present. (Loud cheers.) He concluded by moving the adoption of the report.

Mr. Balli seconded the motion.

A Shareholder wished to know whether the auditors had signed the report unconditionally.

The Chairman had no hesitation in saying that the auditors had unqualifiedly signed the accounts, and without, as far as he knew, any reservation whatever. (Cheers.)

Mr. Hodges believed the object of the question was to ascertain whether the £44,468 was sufficient to write off for the bad and doubtful debts. (Hear.) Perhaps the chairman would give some explanation on that point.

The Chairman might answer the question by saying that the board had themselves increased the amount written off for bad and doubtful debts from the sum originally put down to that at which it stood in the accounts, and which they had every reason to believe was amply sufficient. (Hear, hear.)

Mr. Burbidge gave credit to the chairman for having only stated what he believed to be the truth; but, frank as it was, he must receive that statement with some reservation. (Oh, oh.) If the directors would assure him that they had completely changed the management, that the manager had resigned and his resignation been accepted, he would sit down.

The Chairman—The whole question of management is to be taken into immediate consideration by the board. (Cheers.)

Mr. Burbidge—That did not satisfy him. The chairman had stated that the capital remained intact, but it was not so. There was a balance of £14,725 on preliminary expenses which could not properly be taken as an asset, and, taking that off, and taking into account the £10,000 reserve fund on the other side, there was something less than 20s. in the pound left. (Hear, hear.) Without a thorough investigation by some independent parties, the confidence of the public in the concern could not be restored, and it was his intention to move an amendment to the effect that the report be merely received, and that a committee of independent shareholders be appointed to investigate the affairs of the bank, to ascertain the real extent of the losses, and the amount advanced upon the shares of the bank, and how far such advances were made for the purpose of rigging the market; that such committee be empowered to examine all books and documents, and to call in a professional accountant; and that the meeting be adjourned to some future time, to receive the report

of such committee. ("Hear, hear," and "No, no.") It was notorious throughout the City that the management of the bank was a disgrace to the commercial public. Some of the parties to whom advances were made, and by whom losses had been incurred, were persons who were wholly unworthy of credit. He concluded by moving his amendment.

Mr. T. Dixon seconded the amendment.

Mr. Hodges believed that the appointment of a committee would seriously damage the concern, and thought that the promise of the chairman that the question of management should be immediately taken into consideration ought to satisfy Mr. Burbidge.

Mr. Gearing suggested that there was an omission in the report, which ought to have contained a passage to this effect:—"That, considering the crisis through which we have passed during the last six months, and considering the losses sustained by other banking establishments, we consider the position of this bank, looking at all the circumstances, is a subject of congratulation to the proprietors." (Cheers and laughter.) The joint-stock banks were like a fleet of merchantmen which had been out during the past half-year on a perilous voyage. Some had been successful, and had not only come back safely, but had produced a profit he was told of 10 or 15 per cent. In their own case it was a subject for congratulation that although they could not show a profit, they came into port with the hull sound, and all the spars and sails standing and in good order. (Hear, hear, and a laugh.)

Mr. Hermann said that he had always had great faith in the chairman, and what had occurred had in no way shaken his confidence. He believed that the board saw the position of the bank as clearly, and more so, than any committee of investigation could do, and had fairly laid it before the shareholders. A committee of investigation was consequently unnecessary. (Hear.) At the same time he must say, speaking from an experience of 25 years of commercial life, that public confidence in the bank was not likely to be restored while it remained under the present management. He had been once or twice at the bank to inquire the cause of the sudden depression in the market price of the shares, and had been told when he asked what amount of losses had been incurred, that the entire loss was £127. 7s., while it must have been known at the time that it amounted to many thousands. He was quite sure that no man knowing anything of banking would ever have allowed three accounts in particular to be overdrawn as they were, the parties being well known as mere speculators with money not their own, and who had been in the habit of paying from 50 to 60 per cent. for accommodation. It would be far better if the bank, instead of encouraging such accounts as those, would afford greater banking facilities to tradesmen who kept moderate balances; but he was sorry to say that it was the habit of most banks to encourage those only who kept large balances, no matter how.

Mr. Serjeant Atkinson urged that a committee of investigation was perfectly unnecessary. Every shareholder had the right to investigate the books of the company for himself, accompanied, if he thought fit, by a professional accountant, and he was quite sure the directors would afford every facility for that purpose. If, therefore, any shareholder was dissatisfied with the statement which had been laid before the meeting, it would be far better to adopt that, the legitimate course, than to expose their affairs to solicitors and professional accountants, and keep open an investigation for weeks perhaps, for the benefit, not of the customers, but of speculators on the Stock Exchange. (Hear.)

Mr. King pointed out that the proposed inquiry would necessarily have a most prejudicial effect upon the business of the bank. If it were understood that every man's private account with the bank was to be investigated and inquired into by a committee and professional accountants their customers would soon leave them. (Hear.)

Mr. Austin hoped that if the amendment was not withdrawn the meeting would negative it by an overwhelming majority. The appointment of the proposed committee would in effect be a declaration that they had no confidence in the directors; and how could they expect, if they carried such a motion, that the public would have confidence in the concern? Taking into account the increased value of their premises, he was satisfied that if they were wound up now, their assets would realise more than 20s. in the pound, independent of what they might expect for the goodwill of a business which realised £40,000 a year. (Hear.)

Mr. Barber likewise opposed the amendment, expressing his belief that if it were carried a very large proportion of their customers would withdraw from the bank rather than have their affairs scrutinized by a committee. They had already all the information which a committee could possibly give them, and besides the character of the chairman, they had the guarantee of professional accountants of high standing that that information was correct. (Hear.)

Mr. Deputy Reed, Mr. Jeffery, of Liverpool, Mr. Rider, and other shareholders joined in recommending Mr. Burbidge to withdraw his amendment.

The Chairman—Before Mr. Burbidge replies, I wish to say that I will undertake, on the part of the board, that an immediate and searching investigation shall be made into the whole of the management of the bank, and without attempting to exculpate on the one hand, or to inculcate on the other, any party, I promise that the result of that investigation shall be laid before you. (Cheers.)

Mr. Burbidge—Nothing can be more satisfactory, frank, or fair, than what Mr. Gilpin has now promised to do. I am perfectly satisfied with that promise, and therefore, with the consent of the seconder, I withdraw the amendment. (Loud cheers.)

The amendment was accordingly withdrawn, and the report was put and carried unanimously, amid loud and almost general cheering.

The directors retiring by rotation were re-elected on the motion of Mr. Jeffery, seconded by Mr. Smith.

Mr. Holden moved, and Mr. Galsworthy seconded, the re-appointment of the auditors, which was carried; and a vote of thanks to the chairman and directors, moved by Mr. Serjeant Atkinson, and seconded by Mr. Burbidge, having been adopted, was briefly acknowledged by the chairman, who took occasion to say that he had never received from the bank a single farthing in the way of accommodation or otherwise, and the proceedings terminated.

CITY BANK.

The eighteenth general meeting of the proprietors of this bank was held on the 17th January, at the London Tavern; Mr. Peter Bell in the chair.

The Secretary (Mr. C. J. Worth) having read the notice convening the meeting, the following report and balance-sheet were presented:—

"The annexed statements of the liabilities and assets of profits and loss for the six months to 31st of December last, show, after payment of interest on current and deposit accounts, a gross profit of £79,933. 15s. 8d., which, added to £7,969. 17s. 9d. brought from last half-year, makes a total of £87,903. 13s. 5d. This result, after providing for current expenses, bad and doubtful debts, rebate of interest on bills discounted not yet due, and the half-yearly deduction from the building account, enables the directors to declare the usual dividend of £6 per cent. per annum on £500,000, the present paid-up capital of the bank, and a bonus of £1. 10s. per share (together equal to £12 per cent. per annum), free of income tax, and to carry forward £4,685. 9s. 11d. to the new profit and loss account. The directors regret that the late severe commercial crisis has not passed without entailing considerable losses on the bank; they have, therefore, decided to reserve a sum of £30,000, which they believe will be amply sufficient to meet any deficiency which may arise upon estates now in course of liquidation. The progress of the Bond Street branch continues satisfactory. The dividend and bonus will be payable at the bank on and after the 24th inst.

Liabilities and Assets, 31st December, 1864,

<i>Dr.</i>			
Capital paid-up, viz., £50 per share on 10,000 shares ...	£500,000	0	0
Amount of reserved fund ...	140,000	0	0
Amount due by the bank on current and deposit accounts, bills payable, letters of credit, &c. ...	4,946,209	3	9
Profit and loss, for the balance of that account, viz.:—			
Surplus profit brought forward from last half-year £7,969. 17s. 9d.; since added £79,933. 15s. 8d. ...	87,903	13	5
	<u>£5,674,112</u>	<u>17</u>	<u>2</u>
<i>Cr.</i>			
Exchequer bills, Government securities, and East India de- bitures ...	£305,692	3	8
Other securities, including bills discounted and loans ...	4,636,524	8	8
Bank premises in Threadneedle Street and Old Bond Street, furniture, fixtures, &c. ...	29,444	15	0
Cash in hand, at Bank of England, and at call... ..	702,451	9	10
	<u>£5,674,112</u>	<u>17</u>	<u>2</u>

*Profit and Loss Account of the City Bank for the Half-year ending
31st December, 1864.*

<i>Dr.</i>			
Current expenses, including salaries, rent, stationery, directors' remuneration, proportion of building expenses, bad debts, income tax, &c. ...	£14,903	7	8
Amount reserved to meet losses on estates now in liquidation	30,000	0	0
Amount carried to profit and loss new account, being rebate on bills discounted not yet due ...	8,314	15	10
Dividend account for the payment of a dividend at the rate of £6 per centum per annum upon £500,000, amount of paid-up capital upon 10,000 shares... ..	15,000	0	0
Bonus of £1. 10s. per share on 10,000 shares ...	15,000	0	0
Undivided profit transferred to profit and loss new account ...	4,685	9	11
	<u>£87,903</u>	<u>13</u>	<u>5</u>

Cr.

Balance brought down, viz.:—

Surplus profit brought forward from last half-year

£7,969. 17s. 9d.; since added £79,933. 15s. 8d.	£87,903 13 5
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£87,903 13 5

The Chairman next declared the dividend mentioned in the report. He then proceeded to observe that it was very satisfactory to find that the gross earnings of the bank during the past half-year had been quite equal and in point of fact had rather exceeded those of the last half-year, and were considerably in excess of the corresponding half-year. This, no doubt, was attributable first to the increased capital, and next to the high rate of interest which had prevailed during the last twelve months. At the same time, it had not been without its disadvantages. There had been a very serious commercial crisis and great depression, under which several of the customers of the bank had succumbed, and consequently the bank had suffered losses. Both the directors in general and the committee of accounts had given this subject their anxious and earnest attention, and they had come to the conclusion that the best and fairest method of proceeding was to look the matter fully in the face—(hear, hear); and they had accordingly written off from the earnings of the present half-year the sum of £30,000, which they considered a liberal provision to meet the losses entailed on the bank by the failures to which he had alluded. He was glad to say that notwithstanding these drawbacks they were enabled to pay the shareholders the same dividend as at the end of the last year, namely, a dividend after the rate of 12 per cent. per annum, and to carry forward to the new account the sum of £4,600. The other portion of the accounts was pretty much the same as usual, and therefore it was not necessary for him to detain them in reference to that point. He might mention that the writing off of the building account was continued periodically, and that that account was now represented by the sum of £29,000 (including the Bond Street branch), which was scarcely half the value of the property in the possession of the bank. They would observe that the directors had not on the present occasion made any addition to the reserve fund, but that was simply because at the end of the last half-year they added £10,000 to that account, and they had thought it better to allow it to stand as it was at present. Looking to the present position, and the ultimate prospects of the bank, he could not but consider that they were highly satisfactory—(cheers)—and he was sure that under the able management of Mr. Duncan and Mr. Kennedy they would continue to prosper. He concluded by moving the adoption of the report.

The Deputy Chairman seconded the motion.

Mr. Billing inquired whether the sum of £30,000 was estimated to cover only the liabilities of the bank in respect to the estates now being wound up, or whether it included the general provision for bad and doubtful debts.

Another Shareholder asked whether the board was quite sure that it had allowed sufficient to cover the losses they had incurred in respect to the estates now in course of liquidation.

The Chairman replied that it was difficult to ascertain the figures with such an amount of exactness as to state what the loss would be to a pound, but the directors had carefully considered the matter, and what they had

set apart they considered would be amply sufficient to meet their losses in respect to the estates under liquidation. The first item in the debtor side of the profit and loss account included the allowance made to meet the ordinary bad and doubtful debts.

Mr. Rushfield said that he was anxious to address a few observations to the meeting upon a point which concerned the interest not only of the City Bank but that of all other joint-stock banks. He was desirous that this bank should stand well, and without wishing to say a word which might grate upon the ears of the directors, he must impress upon them the desirability that the auditors of such institutions should be well-known and recognised public accountants, wholly unconnected with the company, and not being shareholders in it. (Cheers.) Shareholders elected auditors for the purpose of examining the accounts and reporting upon the position of affairs. He was quite satisfied that their auditors were men of perfect integrity, who would not suffer themselves to be influenced in the slightest degree. At the same time they might not always have such men, and the shareholders must remember that, as a general rule, auditors were looked upon as being but one step from the board, and that they naturally looked forward to be chosen by the directors to fill vacancies; therefore, it was not surprising that they should occasionally be induced to take a different view of matters to that which they would take if they were wholly disinterested, and to suffer a false gloss to be put upon the accounts. In his opinion auditors should be neither under the influence of the directors on the one hand, nor of the shareholders on the other. (Hear.) And he for one should not be satisfied with the position of any joint-stock bank with which he was connected until he saw the post of auditors filled by respectable official accountants, who had no other interest at heart than to report to the shareholders the true state of their affairs. (Cheers.) He was fully convinced that the directors would not consider these observations as in any way casting reflections upon the board, or upon the gentlemen who now filled the post of auditors, for he only argued in favour of the adoption of a general principle, namely, that auditors should be wholly unconnected with and beyond the influence of the companies whose accounts they audited. He thought that the time had now come when the question ought not to be shelved by a reference to the general respectability of the board and the great stake they had in the welfare of the undertaking. He instanced the case of certain institutions whose affairs had proved to be in a most ruinous condition at the very moment when they were paying large dividends, and the surprise of highly respectable directors when they found that accounts which they had all thought correct turned out to be utterly fallacious. It was quite manifest that if such accounts underwent the searching examination of disinterested public accountants such fallacies would long ago have been discovered and exposed. He was quite sure that everybody felt for Alderman Mechi and all connected with the bank of which he was chairman, and he (Mr. Rushfield) called upon the shareholders of this and every other joint-stock bank to adopt a principle which must of necessity make their property more secure and lessen their risks. (Cheers.)

The Chairman, in reply, said that the directors had under their serious consideration the expediency of appointing public auditors. He also explained, in reply to another question, why it was not always expedient to issue the report some days previous to the meeting.

The report was then unanimously adopted, and

On the motion of Alderman Abbiss, seconded by Mr. Rushfield, a cordial vote of thanks was given to the chairman and directors, for the ability and attention they had manifested in conducting the affairs of the bank.

Votes of thanks were also given to the auditors, to the managers, Messrs. Duncan and Kennedy, and also to Mr. Worth, the secretary.

The proceedings then terminated.

SCOTTISH AND UNIVERSAL FINANCE BANK.

An extraordinary general meeting of shareholders in the Scottish and Universal Finance Bank, Limited, was held, on the 18th January, at the London Tavern, Bishopsgate Street. Mr. Gunn took the chair at a few minutes past twelve, and called upon the secretary to read the notice convening the meeting, upon which

The Secretary read a notice convening a meeting at the offices of the bank, in Cheapside, at two o'clock.

Mr. Gunn, before proceeding with the business of the meeting, wished to be certain that none but shareholders were present, and said that he should insist upon all who were not shareholders leaving the room. The statement to be submitted affected shareholders only. He called for the attendance book.

Mr. Smith wished to know by what right Mr. Gunn took the chair. He considered that a chairman should be appointed by that meeting. He called attention to the fact of that being a shareholders' meeting; the circular which had been read, convened on the part of the directors a meeting at the bank at two o'clock. (Loud applause.)

Mr. Gunn considered himself chairman by virtue of his position in the bank. If those who were not shareholders did not leave the room he should not make the statement. (Groans and hisses.) If he was not allowed to preside he should leave, and the meeting would be left in ignorance. (Groans.)

Mr. Morris begged the meeting to give a patient hearing to Mr. Gunn. If it was intended to exclude himself, as acting for a committee, he would take the sense of the meeting upon the question.

Mr. Gunn said it was his intention to exclude all who were not shareholders.

Mr. Smith objected to Mr. Gunn occupying the chair. The directors were upon their trial. They were accused of misappropriating the funds entrusted to them. It was very unseemly for one against whom charges had been cast to preside over that meeting. He proposed that Mr. Henry be called upon to take the chair.

The motion was seconded, put to the meeting, and unanimously adopted, upon which Mr. Gunn vacated the chair, saying he would appeal to the Court of Chancery. He then, accompanied by several others, left the room amid loud groans and hisses.

Mr. Henry then took the chair, and briefly opened the business of the meeting.

Mr. Morris suggested that as Mr. Gunn had re-entered the room, if he had any statement to make he should do so.

Mr. Gunn then made a somewhat lengthy statement, to the effect that he had received from two sound banks offers to amalgamate with the Scottish and Universal Finance Bank, but those offers had been rejected

by the committee, which he complained was not properly constituted, because it was not composed entirely of shareholders. He did not wish to stop inquiry; but, on the contrary, he asked and courted the fullest inquiry into the affairs of the bank; and the terms offered were that the shareholders should be credited with £5 for every £10 paid. They must either amalgamate or wind up.

A Shareholder asked Mr. Gunn whether either of the companies who now offered to amalgamate with the Scottish had been promoted by him.

Mr. Gunn said he had nothing to do with the promotion of either.

Mr. Morris asked whether any commission was to be paid to any one.

Mr. Gunn replied that some commission was to be paid for introduction, but he was to pay it out of his own pocket. (Oh, oh.)

Mr. Morris explained that the meeting had been called by Mr. Pierce, in conformity with an order made by the Court of Chancery upon a petition for winding up the bank, presented by the committee appointed by the shareholders. That step had been taken in anticipation of a similar step being taken by others. They heard about an amalgamation for the first time when they appeared in court, and were most anxious, in the interests of the shareholders, that any definite scheme should have every consideration. He complained that no definite plan was even now submitted. The committee could not recommend the amalgamation as proposed, because it involved the giving up of the whole of their assets for shares in undertakings which were only now struggling into existence. He then entered into a very elaborate statement of various transactions in which Mr. Gunn and other directors had been concerned. He concluded by urging upon the shareholders the absolute necessity of winding up in Chancery, so as to secure at the smallest cost the fullest and most complete inquiry.

Mr. Smith, the accountant, then made a statement as to the qualifications of directors, and the circumstances attending that qualification, which he said were not of the most creditable nature.

Mr. Lowell Price said the gross amount of business done since the establishment of the bank was £33,272. The losses on bad and doubtful debts amounted to £13,121. At that moment the bank was insolvent, as there was a deficiency of £4,000 to be made up. The shareholders, as men of business, might ask themselves whether any bank of standing and respectability would amalgamate with them.

After some discussion,

The Chairman moved: "That this company be wound up in the Court of Chancery, and that Mr. Lowell Price be confirmed as liquidator."

Mr. Jarvis briefly seconded the motion, which was unanimously adopted. The usual compliment to the chairman terminated the proceedings.

NATIONAL DISCOUNT COMPANY.

THE ordinary general meeting of the shareholders of this company was held on the 18th January, at the London Tavern; Mr. F. W. Russell, M.P., in the chair.

The Secretary (Mr. Price) having read the notice convening the meeting, proceeded to read the following report:—

"The directors have the satisfaction to inform the shareholders that by

the completion of the issue of the new shares, the capital of the Company is now as follows, viz.:—Subscribed capital, £3,000,000; paid-up, £600,000; reserve fund, £300,000. The accounts for the half-year ending 31st December show a gross profit of £130,746. 11s. 10d., and after deducting the current expenditure, directors' and auditors' remuneration, making an ample allowance for bad and doubtful debts, writing off proportion of building expenses, and reserving £55,229. 10s. for rebate of interest on bills not yet due, there remains the sum of £62,372. 8s. 3d., which, with £1,830. 3s. 10d. brought forward from the last half-year, amounts to £64,202. 12s. 1d. The directors have therefore the pleasure to recommend that a dividend at the increased rate of 20 per cent. per annum be declared, and that the balance of £4,753. 0s. 4d. be carried forward to the credit of the next half-year's profit and loss account. The directors congratulate the proprietary upon the steady but marked success which this Company has attained; but would still again impress upon them how greatly its prosperity might be extended by each shareholder becoming a depositor with the Company, and by recommending its principles to their various connexions. The directors who go out of office by rotation upon this occasion are George Burnand, Esq., H. H. Toulmin, Esq., and F. C. Wilkins, Esq., all of whom being eligible offer themselves for re-election. The dividend, free of income tax, will be payable on and after the 1st of February. The shareholders will have to elect auditors for the current year, and notice has been given that a resolution will be submitted at the meeting to increase their remuneration from £100 to £150 a year each."

Balance-sheet, December 31st, 1864.

<i>Dr.</i>			
Capital, viz.:—120,000 shares of £25 each, £5 per share paid	£600,000	0	0
Liabilities on deposits, loans, &c.	5,888,690	0	10
Amount under acceptance	Nil		
Premises redemption fund	789	16	4
Reserve fund	300,000	0	0
Amount at credit of profit and loss account, as shown on statement B... ..	64,202	12	1
	<u>£6,853,682</u>	<u>9</u>	<u>3</u>
<i>Cr.</i>			
Cash, Government, and other securities... ..	£483,859	1	2
Loans at call and short date	350,579	2	1
Bills discounted, &c.	5,975,001	3	1
Premises	44,243	2	11
	<u>£6,853,682</u>	<u>9</u>	<u>3</u>

Profit and Loss Account for the Half-year ending 31st December, 1864.

<i>Dr.</i>			
Current expenses, including rent, taxes, income-tax, salaries and all other charges	£6,418	2	11
Directors' and auditors' remuneration	1,600	0	0
Amount reserved to meet bad debts	5,000	0	0
Premises redemption fund... ..	126	10	8
Rebate of interest on bills not due, carried to new account ...	55,229	10	0
Carried forward	<u>£68,374</u>	<u>3</u>	<u>7</u>

Brought forward	...	...	...	£68,374	3	7
Dividend at the rate of twenty per cent. per annum, £59,449. 11s. 9d.; balance carried forward to profit and loss new account £4,753. 0s. 4d.	...	...	...	64,202	12	1
				£132,576	15	8
<hr/>						
<i>Cr.</i>						
Balance brought forward from 30th June	...	...	...	£1,830	3	10
Gross profits during the half-year	...	...	...	130,746	11	10
				£132,576	15	8

The Chairman, in moving the adoption of the report, said, that if he felt warranted last July in expressing the gratification and pride of the board, how much greater must their gratification be upon the present occasion, after the extraordinary and, he might say, unprecedented success of the last six months. Twelve months ago they offered the shareholders the power of dividing the large sum of £10 per cent., and now they were enabled to propose a dividend double that amount, namely, after the rate of 20 per cent. per annum. (Cheers.) And it must be borne in mind that this success had been achieved, not in ordinary times, but after a period particularly trying—a period during which the attention of all engaged in commercial matters was directed to safety rather than to success. It was manifest that at such a period as that it required from the managers of this company the most extraordinary caution, or they might possibly have involved the company in ruinous engagements, instead of business transactions which had yielded great profit. Notwithstanding the exceptional circumstances of the times they had proceeded steadily in their course, with an amount of debt which was positively insignificant compared with the vast sums of money which passed through their hands. They might really now look upon the National Discount Company as one of the great institutions of the City of London. They had long aspired to that position, and had now attained it. Having attained that position, they might, adopting the words of a very distinguished person—"rest and be thankful." They were thankful, but determined not to rest—(hear, hear)—for they felt that the company could go on through a long career of prosperity if only the shareholders would do their duty, and assist the board, by a long pull, a strong pull, and a pull altogether. (Cheers.) By adopting that course they would raise the company to a pinnacle far higher than that to which it had at present attained. He did not think that the position which the company occupied was at all hazardous, nor did he think there was the slightest probability of their retrograding. They must look forward, not backward, and their motto must be "progress." (Hear, hear.) On the present occasion he had nothing more to do than to congratulate them, and knowing as they did the position of the company from the report and statement of accounts, he would simply content himself by moving their adoption. (Cheers.)

Mr. Chaytor, in rising to second the resolution, said that he wished to occupy the attention of the company a few minutes with a review of the progress of their affairs. The present was an apt opportunity for doing so, and it was only by applying the inferences to be drawn from their past history that they could form a proper judgment of what their future career

was likely to be. They had now been established for eight years and a half, and had experienced several of the difficulties and dangers incident to early youth. In the first whole year of their existence they had to encounter the difficulties entailed by the serious commercial crisis of 1857, and in that year were unable to propose any dividend. The want of dividend was not the only difficulty, because it led to doubts among the shareholders of the possibility of success, and dissatisfaction at the slow progress of the undertaking. They overcame those difficulties, however, and now after an existence of eight years and a half they were enabled to offer the shareholders a dividend of 20 per cent. (Cheers.) Their progress had been in fact marvellously rapid, even when compared with that of the most successful institutions in the city of London. The meeting would, perhaps, be surprised to hear that that most ably managed and successful establishment, the London and Westminster Bank, was twenty-five years in existence before arriving at such a pitch of prosperity as this company had arrived at. It might be said that the case of the two companies was different; and in one respect it was, for the London and Westminster Banking Company were the pioneers of a new description of business altogether as regarded banking, and they had all the prejudices of old and powerful banks to encounter. In some respects the course was cleared for the present company, but still they had to overcome prejudices almost as strong, for they were the first company established to conduct monetary affairs on a large scale under the Limited Liability Act, and the present meeting would be surprised at the prejudices which were expressed against it. They had shown, however, that with ordinary prudence and discrimination the business in which they had embarked was not very hazardous. It was true that money was a very slippery article, and that they, in common with bankers and others who dealt in it, were liable to make insecure investments; still he repeated that, with the prudence exhibited by the managers, the risk was not very formidable. The period during which they had been in existence naturally divided itself into two parts. The first four and a half years included that disastrous year 1857, and also the year 1860, when the great leather failures and frauds affected this company quite as seriously. The average loss upon every £100 discounted in that period amounted to 2s. 3½d. They then turned over a new leaf, and during the last four years the loss per £100 discounted did not exceed 2½d., including the last half-year—(cheers)—making the average loss upon the whole eight and a half years only 1s. 2d. upon each £100 discounted. While on the subject of bad debts, there was one matter on which he might congratulate the meeting. The sums received from bankrupt assets, and appropriated from profits to cover deficiencies that had accrued up to June last, had been so well calculated, that there was a credit due to the company of £150 on that account, which would be further increased by some additions from the assets of estates not yet wound up, and there could be no further demand upon them on that account, because all transactions entered into previous to that time were now determined. (Hear, hear.) As regarded the last half-year the board, which he thought might lay claim to some credit for prudent management, had set aside a sum which they believed would be amply sufficient to meet all contingencies. (Cheers.) He thought therefore that as regarded bad debts this company stood in a most favourable position. (Cheers.) He now wished to say a few words regarding the creation of capital this time twelve months. It was as well to take stock occasionally, because

then they knew what progress they were making. On that occasion he had the honour to point out to the older shareholders the probability that the board would be able to give them a larger dividend, and he thought they would agree with him that that promise had been fulfilled—(hear, hear)—and not only that, but the value of the shares had much increased in the market. What had been the result as regarded themselves? In June they offered a dividend of 16 per cent., which had now been increased to 20, and the shares, which were then worth £10. 10s. were now quoted at £16. As regarded the new shareholders, who paid £10 for their shares, they had been able to offer them a dividend of 8 per cent. on their investment during the first half-year, and now 10 per cent. He had intimated an opinion that the shareholders would find the new shares well worth taking up, and he was glad to find that, with the exception of about 300 shares not taken up from various private causes, the whole of the new shares had been taken by the old shareholders. It ought, therefore, to be another subject of congratulation to think that they had followed the advice of their directors—(hear, hear)—and the directors, on their part, were quite ready to accept any credit due to them for the successes which had been achieved. At the same time, it was only just to state that they were the directors of the company's affairs, and not the managers, and a great deal of the prosperity upon which they were now congratulating themselves was due to the unwearied diligence, great ability, and discrimination exercised in the selection of securities by the managers. (Cheers.) Those gentlemen enjoyed the perfect confidence of the board, and they were well entitled to that of the shareholders. The board had several times invited the shareholders to co-operate with them in extending the business of the company. He could easily understand that, before their success was an ascertained fact, they might have some doubts as to whether it would succeed, and whether it was prudent in them to do so. They had now an ample capital, a good reserve fund, experienced managers, and everything which could give the institution stability. If the shareholders would consider that if the funds at their disposal which they did not immediately want, and which were lying idle elsewhere waiting for investment, were left with the company, it would be to their mutual benefit, and if left for even the shortest periods he was quite sure that they in the aggregate would cause a large increase in the deposits. If they bore this constantly in mind, and took every opportunity which offered of impressing it upon their friends, they would be themselves surprised how often the opportunities would occur of this co-operation with the board. He had now briefly run over the career of the company up to the present time, and although to prophecy was undoubtedly a dangerous thing, he thought a fair inference of what they were capable of doing might be drawn from what they had already achieved. It had been said that nothing succeeded like success; they had experienced managers, which was most important, and they had open to them a field which they did not occupy nearly to the extent of which it was open to them, and the boundaries of which were daily becoming more and more extended by the increased commerce of the country; they must remember that every increase of business must enlarge their profits; and if the shareholders would give the board their assistance in the manner he had pointed out, there was no reason why their future career should not be one of more extended usefulness and greater prosperity. He begged to second the motion for the adoption of the report. (Cheers.)

Mr. Borrodaile congratulated the board and the shareholders on the high state of prosperity to which the company had reached—a far greater prosperity in the time than had been attained by the London and Westminster Bank, which did not divide 20 per cent. until after it had been established twenty-five years. While that bank had increased its deposits from £500,000 to £20,000,000 in the time during which it had been established, the present company, in 8½ years, had increased its deposits to nearly £6,000,000; and if the shareholders co-operated with the board, there was no reason why these deposits should not be more than doubled in the next five years. He thought that on occasions when the board came before them with such prosperous balance-sheets, and such handsome dividends, the managers and other officers of the bank should be permitted to participate in the advantages reaped by the shareholders in the shape of a testimonial. (Hear, hear.)

Mr. Bolton wished to know why it was necessary to charge £789 to provide a redemption fund, because he should have thought, considering the rising value of land in the City, that no such charge would have been necessary. He expressed his gratification at the excellent position in which the institution stood, and pointed out that they had really during the present half-year netted 28 per cent., taking the balance standing to the profit and loss account at £64,000 and adding to it the difference between the rebate of the bills charged last half-year. He thought it would be found that sufficient had been made, with the exception of the current expenses, to enable the directors to declare a dividend of 20 per cent. next half-year.

The Chairman explained that the company's premises being taken for a term of eighty years, it was thought right to establish a redemption fund of £100 a year to restore the ground and the premises to the company at the expiration of the lease. £789 had already been accumulated, and in the course of 60 or 70 years a sufficient sum would be set aside for that purpose. It was unnecessary to say that if they wanted to sell the premises, they would realise a considerable profit upon them.

The report was then unanimously adopted, the dividend declared and agreed to, and the retiring directors re-elected.

Mr. Sewell then proposed, and Mr. Bird seconded, the re-election of Mr. John M. Bell and Mr. Morrison as auditors, and the raising of their remuneration from £100 to £150, which was carried by acclamation.

Mr. Bell, in responding, observed that it must be gratifying to the shareholders to know that the accounts of the company were placed before the auditors in the plainest and most satisfactory manner. The auditors had very onerous duties to perform; they were perfectly independent and impartial in the discharge of their duties, and it was not the least satisfactory circumstance that the officials of the company were always willing and ready to explain everything they required. He must acknowledge that they had on many occasions received the most valuable information from the secretary, which had enabled them to test the accounts when they would have been at a loss to do so if those accounts had simply been placed before them.

In reply to a question from a shareholder,

The Chairman said that the board fully recognised the merits of their officers; the whole scale of salaries had been revised, and he believed that all their servants considered that they treated them with great consideration.

Mr. Borrodaile then moved, and Mr. Barber seconded, a vote of thanks to the managers, the secretary, and the staff, which was carried by acclamation.

A cordial vote of thanks to the chairman and directors for their able management of the affairs of the company concluded the proceedings.

LONDON AND WESTMINSTER BANK.

THE annual general meeting of the proprietors in this bank was held at the bank offices, Lothbury, on the 18th January; Mr. Alderman Salomans, M.P., in the chair.

In opening the proceedings,

The Chairman said,—Gentlemen, we have very great pleasure in meeting you here to-day and laying before you our report of the proceedings of the bank during the past half-year, and of the results of the last year.

The Secretary, Mr. T. P. Shipp, then read the following report:—

“The directors have to report that—after making provision for all bad and doubtful debts, paying the income tax, setting apart £2,000 towards the buildings of the bank, and presenting gratuities on their salaries to all the officers of the establishment—the net profits of the bank for the last half-year amount to £238,405. 16s. 9d. (Cheers.) This sum, added to £8,830. 1s., the unappropriated balance of the preceding half-year, will amount to £247,235. 17s. 9d. Out of this amount interest on the rest or surplus fund at the rate of 5 per cent per annum (£7,500) has been added to such fund, which now amounts to £307,500. The directors now declare a dividend to the shareholders at the rate of 6 per cent. per annum, and by way of further dividend out of the profits, a bonus of 15 per cent. on the paid-up capital. (Cheers.) After these payments are made there will remain a balance of £79,735. 17s. 9d., which the directors have appropriated as follows, viz.:—£27,878. 16s. 4d. on account of the purchase of Messrs. Jones, Lloyd, and Co.’s bank; £20,000 towards the alterations and improvements of the chief office; and £22,500 to be added to the rest, which will then amount to £330,000, and the balance (£9,357. 1s. 5d.) carried to profit and loss account for the current year. The directors who retire by rotation are—John Garratt Cattley, Esq., James Denis De Vitre, Esq., and George Hanson, Esq., all of whom being eligible for re-election offer themselves accordingly.”

London and Westminster Bank, 31st December, 1864.

<i>Dr.</i>				
Proprietors for paid-up capital	£1,000,000	0	0	
Amount due on bank deposits; circular notes, and other moneys payable on demand*	18,649,215	16	3	
Rest or surplus fund	300,000	0	0	
Balance of profit and loss account, 30th June, 1864	8,830	1	0	
Net profits of the past half-year	238,405	16	9	
	£20,196,451	14	0	

* This sum does not include acceptances, £806,604. 7s. 4d.

Cr.

Government stock, Exchequer bills and India bonds...	£2,492,412	9	0
Bills discounted, loans to customers, and other securities	16,256,593	19	6
Cash in hand	1,447,445	5	6
	<u>£20,196,451</u>	<u>14</u>	<u>0</u>

PROFIT AND LOSS.

Dr.

Total expenditure of the eight establishments, including rent, taxes, salaries, stationery, &c., with gratuities on their salaries to the officers of the establishment	£65,995	11	1
Amount set apart towards the buildings of the bank	2,000	0	0
Amount added to rest or surplus fund by interest thereon at 5 per cent. per annum	7,500	0	0
Payment of the dividend now declared, at the rate of 6 per cent. per annum, for the last half-year on the paid-up capital of £1,000,000	30,000	0	0
Bonus of 13 per cent. on the capital	130,000	0	0
Amount on account of purchase of Messrs. Jones, Lloyd, and Co's Bank £27,878. 16s. 4d.; amount set apart towards alterations and improvements of chief office £20,000; addition to rest or surplus fund £22,500; balance of profit and loss account £9,357. 1s. 5d.	79,735	17	9
	<u>£815,231</u>	<u>8</u>	<u>10</u>

Cr.

Balance of profit and loss account, 30th June, 1864	£8,830	1	0
Gross profits of the last half-year, after paying the income tax and making provision for all bad and doubtful debts	306,401	7	10
	<u>£815,231</u>	<u>8</u>	<u>10</u>

REST OR SURPLUS FUND.

Dr.

Present amount	£330,000	0	0
	<u>£330,000</u>	<u>0</u>	<u>0</u>

Cr.

Amount on the 30th June, 1864	£300,000	0	0
Interest on ditto, at 5 per cent. per annum	7,500	0	0
Amount as above	22,500	0	0
	<u>£330,000</u>	<u>0</u>	<u>0</u>

"The dividend and bonus (without deduction of income tax, which is paid by the bank) will be payable on Monday, the 23rd January."

The Chairman then rose and said—Gentlemen, the report has been so drawn as to lay clearly before you the condition of this bank, the earnings of the last half-year, and the mode in which we advisedly consider the profits ought to be appropriated. You are aware that we have just passed through a very stormy half-year. In fact the whole of the year has been one of a character that entailed upon every establishment such as this a

great deal of care, mixed at times with a certain amount of anxiety. Nevertheless, I believe the report which we now lay before you will show that we have been enabled successfully to carry the bank through; not only maintaining the old dividend, but adding very largely to our profits. I say this the more emphatically because, like other establishments of the kind, and from the very nature of things, you have heard rumours of our having incurred one or two losses here. The chief of these, and of which you may have seen an account in the newspapers, results from a fraud committed upon one of the customers of the bank, by which a large amount of duplicate bills—otherwise good, but forged and simulated—were deposited with us. That has entailed a considerable loss, the whole of which, however, has been written off. (Cheers.) So that what you see in the balance-sheet is the actual result of the half-year; a liberal allowance having been made for all bad and doubtful debts. Let there then be no misunderstanding on that subject. (Hear, hear.) Turning now to our deposits, I am happy to say that they have been maintained uniformly at about what we left them last half-year. At that time they showed a surplus of nearly three millions over what they stood at this time last year. They are now £150,000, or thereabouts, more than they were in July last; and what is very gratifying to us, and I have no doubt will be so to you, is the fact that our deposits have fluctuated very little during the last half-year, having been at no period much below or much above £18,000,000, in which sum, as you are aware, the acceptances of the bank are not included. We have never thought it right to include the ordinary acceptances, which in the nature of things we cannot avoid, carrying on our business. We have never added these acceptances to the deposits, nor have we published them until now. At our last meeting we offered any gentleman who wished it to give him this information; but finding since that some banks do it, and that there has been a demand for its being generally done by a publication of considerable influence with the commercial world—I allude to the *Economist*, which urges that all banks ought to separate acceptances from general deposits—we had great pleasure in yielding to the suggestion. (Hear, hear.) On the 31st of December, as you will see, our acceptances amounted to £806,604 7s. 4d., a large proportion being acceptances for correspondents in the country, and consisting mostly of 14 and 21 days' bills. With regard to our dividend, we have now the pleasure of declaring a dividend of 16 per cent., which, with 14 per cent. paid on our capital in July last, makes a total of 30 per cent. for the whole year. (Loud cheers.) Perhaps all things considered, during a troublous year, this is not unsatisfactory. (Renewed cheers.) Moreover, we have not paid all our profits away. Pursuing the policy by which we have ever been guided, we have thought that we should endeavour quietly to build up additional capital by taking a portion of our profits and adding it to our reserve fund, thus we have carried up our reserve fund now to £330,000, making our whole capital £1,330,000. (Cheers.) We have also reduced the "Jones Loyd" purchase by £27,878; so that the business which we bought from Jones, Loyd, and Co. may be considered almost entirely paid for, and those large and handsome premises adjoining this bank which, perhaps, we may not require hereafter for our own business, and may therefore look upon as an asset, will stand somewhere about their market value of £80,000. (Hear, hear.) You are aware that we are greatly enlarging our premises. When you enter the bank you can hardly imagine the large amount of space

which we are about to cover for the purposes of our business. Indeed, our business has increased so rapidly at the head office that we have had great difficulty in lodging the clerks with due regard to their comfort and the convenience of the customers. It was very fortunate for us, therefore, not only that we acquired the substantial business of our highly-reputed neighbours, Jones Loyd and Co., but that we are enabled to use their premises for the purpose of carrying on our own current business. (Hear, hear.) We are now, as I said, enlarging our premises; and as the property which we are building has cost a great deal of money, we have thought it desirable, out of the profits of such a year as the last, to take £20,000 in aid of payment for the new premises which we are adding to the bank. Those who have been in the habit of comparing the general expenditure of the bank for the various half-years will have observed that that item has rather increased. No doubt it has; and the reason is this. We have been in the habit annually of adding 10 per cent. to the salaries of our staff generally. At first this was done as a sort of incitement to exertion after what had been a very good year; but it has now become, I fear, a habit (a laugh), and I trust the affairs of the bank will continue to be such that we shall always have the pleasure of making such an appropriation. In addition to this, we have felt that a very large amount of pressure has been thrown upon the staff by the accession of Jones Loyd's business in the course of the year. There is generally quite enough to do in almost all banks in the contracted period between the hours of nine and four or nine and five, in carrying on the ordinary business; but when we weld with that another extensive concern, a large amount of trouble and inconvenience to the staff must necessarily be occasioned. "The labourer is worthy of his hire," but we do not want to look upon our labourers as hired men. If we prosper we wish them to feel that we are inclined to be liberal; and in saying this I know I am expressing your views as well as those of the board. (Hear, hear.) Considering these circumstances, we have, in addition to the 10 per cent. of last year, appropriated another 5 per cent. to this object; so that we have divided among our staff this year 15 per cent. upon their salaries instead of 10 per cent. (Hear, hear.) I have spoken of the difficulties of the year, and the consequent anxiety and labour imposed upon every one who has had to advance and administer a business like this. We have been very careful in the selection of our officers, not only here, but at all our branches. In a year like the past a very great amount of responsibility and anxiety is thrown upon those who are chiefly occupied in sitting at a desk and taking upon themselves the conduct of the executive departments. And I may say here, in the absence, through an accident, of our active town manager, that no man could have acted with greater judgment or more zeal in the discharge of his duty than Mr. Higley. He remained at his post during the whole of the month of October, when the commercial pressure was at its highest (hear, hear); and in the exercise of his good judgment and good temper we went through that period in a manner to excite the admiration of all who came here; and I am sure you will agree with the board that Mr. Higley deserves the warmest eulogiums at our hands. (Cheers.) What I now say in his absence I should have equal pleasure in stating were he present. (Hear, hear.) Then there is our excellent general manager, Mr. Ewings, and, indeed, all the managers, who have had more or less to share in the troubles and anxieties of this trying period. The board have thought that it would not be fair if their services

were allowed to go unrequited. (Hear, hear.) We have, therefore, made them a handsome distribution (it is not necessary that I should state the sum awarded in each case), amounting in the aggregate to £7,000; and which, with the £4,000 distributed the previous half-year, makes the sum appropriated to the heads of departments £11,000 over and above their salaries. (Cheers.) I was sure you would be glad to hear this (hear, hear); and we are glad to have the approval of that side of the table of what we do in this matter. There are none more desirous of acknowledging and rewarding the services of the staff than ourselves. We want no incitement to do these things. What we want is that all the clerks and officers in our employ should feel that they cannot be better off than with the London and Westminster Bank—a large and respectable establishment, with a liberal administration for its government, and a liberal proprietary to support them. (Cheers.) The hon. gentleman concluded by moving that the report be adopted, printed, and circulated among the shareholders.

Captain Creaton seconded the motion, which was put and carried unanimously amid cheers.

Mr. John Garratt Cattley, Mr. James Denis De Vitre, and Mr. John Hanson, were re-elected to seats on the direction, upon the nomination of the chairman.

Mr. Malcom Orme having observed that the excellent report of the directors was the best proof of their able and admirable management, moved that the thanks of the meeting be accorded to them.

The motion was seconded by Mr. Rolls, and carried by acclamation.

The Chairman, in acknowledging the compliment, said that nothing could be more satisfactory to the directors at that time than to feel that they had the warm and active support of the proprietors, and he could assure them that the utmost efforts of the board would ever be directed to secure the continuance of their confidence. The hon. gentleman then proceeded to say—The business would be very incomplete if I did not on behalf of the board, as well as in your names, express to Mr. Ewings, our general manager, and to the other managers, the high appreciation in which we hold their services. I have spoken specially of Mr. Higley because he is absent, and great responsibility rests upon him, inasmuch as the chief employment of the funds of the establishment falls upon him; but we could not get on at all unless every man efficiently discharged the duties of this particular department. All we want is to have the right men in the right places; and I believe we have them. (Cheers.) And I think we cannot do better on these public occasions than convey to Mr. Ewings and the managers the satisfaction we feel, and our sense of how worthy they are of your support and thanks. (Cheers.) I am reminded that I have omitted to mention the name of our excellent secretary, Mr. Shipp. I ought not to do so, for he happens to be one of my constituents, and the last thing I should do is to forget him under any circumstances. (Laughter.) He is a very able and efficient man, a good example to others, and we all highly respect him. I move that the thanks of the meeting be presented to William Ewings, Esq., general manager, the managers, and other officers of the bank, for their services during the past half-year.

Captain Creaton seconded the motion, and it was carried unanimously.

Mr. Ewings, the general manager, on rising to reply was received

with loud cheers. He said—I hardly know what sensation predominates in my mind at the present moment, pride or pleasure; pride at the unexampled success of the London and Westminster Bank during the last year, or pleasure at your kind recognition of the managers' services. (Hear, hear.) It is always a pleasing duty for me to respond on behalf of my colleagues to the kind and genial remarks of our worthy chairman: but that pleasure is very much enhanced by the hearty manner in which you too, the shareholders, endorse his remarks. This is the thirtieth year that I have been a manager in the London and Westminster Bank, and I believe I have not been an unsuccessful one. (Hear, hear.) That long experience induces me to state that it is my firm belief that it will not be the managers' fault if every succeeding year is not as prosperous as, or more so than, its predecessor. (Cheers.) To accomplish that end you may rely upon it that the managers will unitedly use their utmost exertions to retain the confidence of the board of directors; and I am sure that, with this, we shall have the encouragement and support of the proprietors. On behalf of my colleagues and myself I beg again most sincerely to thank you. (Cheers.)

On the motion of Mr. Justin Vulliamy, seconded by Mr. Rolls, the thanks of the meeting were voted to Mr. Alderman Salomans for his able and courteous conduct in the chair; and Mr. Alderman Salomans having briefly responded to the compliment, the proceedings terminated.

MADRID BANK, LIMITED.

AN adjourned general meeting of the shareholders in this company was held on the 19th January, at the London Tavern, to consider the advisability of winding up the company; Mr. J. N. Daniel in the chair.

A report of the directors which has been published, detailing the reasons which compelled the directors to recommend the dissolution of the company, was taken as read.

The Chairman said that as the report and statement of accounts were similar to those which had been laid before the shareholders on the former occasion, he presumed the meeting would take them as read. (Yes, yes.) Such being the case, he would first observe that when they last met, a resolution was submitted for the consideration of the shareholders by the directors; having for its object the winding up of this company. That, however, was negatived by the shareholders present, although it was known that a large number of shareholders were in favour of the resolution, but the act of parliament required that there should be a larger majority than really appeared on that occasion. Subsequently the shareholders wished to have a general meeting, and that day was fixed for the meeting. Since that time nothing had occurred to alter the opinion of the directors as to the necessity of winding up the concern, seeing that by delaying that mode of proceeding, every day, and every hour, and every week, increased the expenses. To avoid these evils the only course was to wind up voluntarily. But subsequently to the last meeting an application had been made by one of the shareholders (Mr. Freeman) to wind up the concern in the Court of Chancery. To this the directors had no objection; they had no objection either to the winding up under the Court of Chancery, or voluntarily under the appointment of a public

accountant ; but they certainly did think that if they wound up voluntarily, much less expense would be incurred than in winding up under the Court of Chancery. Nothing had transpired since the last meeting to alter the opinion of the board as to the necessity of winding up. Those who were acquainted with the usual mode of conducting merely ordinary affairs in Spain, and the difficulty of dealing with more than ordinary cases, would see the peculiar and arduous position in which the directors had been placed. No doubt this company had commenced with too small a capital, but the directors had always considered this as only a nucleus of capital to be raised, because they had been assured, upon what was considered and deemed to be the best information, both in Spain and London, that the greater amount of capital would be raised in Spain ; but in this they were disappointed, for no capital was subscribed in Spain. The honourable gentleman proceeded to show the extraordinary proceedings of the committee of council in Madrid, the efforts made in reference to the concession, &c., and the manner in which the parties in Spain had appropriated certain moneys to themselves, leaving the board in England and the shareholders in the most extraordinary and false position. The powers which had been originally granted to the English shareholders were violated and set at naught, and, notwithstanding the original articles by which absolute control was given to the English shareholders, the Madrid board dealt with the affairs of the company as if they were paramount. The hon. gentleman entered into a variety of details connected with the transactions of the board, &c., and in conclusion he moved that the report and balance-sheet, and the accounts to 10th December last, audited by the accountant, be received and adopted.

Mr. Chapman seconded the motion.

On the question being put,

Mr. Freebody said the directors had not done their duty to the proprietors, and had kept them in the dark. If they had done so, a meeting should have been held in May last. The credit of the bank, if it ever possessed any, had been blown upon, and nothing remained but to wind it up ; but he should like to know if the money the shareholders handed to the directors two years ago had been properly expended. They had heard rumours of £30,000 being advanced to a concern at Costa Rica. He wished to know if the promoters of the bank were entitled to any more than the £7,000 they had already received. Before the matter was wound up, he felt, as a shareholder, that they had not had those explanations given them of the deplorable monetary position of the company which it was the duty of the directors to give. In fact, the whole affair was a failure from the first. He thought the sooner the directors gave explanations the better. The directors ought to have conceded to the shareholders a committee of investigation. He moved that a committee of shareholders be appointed to investigate the affairs of the bank, and that they put themselves into communication with Mr. Freeman, with the view of his petition in Chancery standing over until the shareholders make their report.

The Chairman said he would rather have the affairs of the bank investigated by the Court of Chancery ; but to have two investigations, no. The acts of the directors were able to bear the light. There was one thing he regretted, and that was that a meeting of the shareholders should have been held in May last. It was thought that their Act gave them power to hold the meeting any time in 1864, but there was a general Act which overrode the company's Act. The bank had not advanced any money to a

concern at Costa Rica. With respect to the amount for the promoters of the bank, the articles of association provided that the promoters should be entitled to receive £10,000 at the time of allotment.

Mr. Freeman censured the directors for proceeding to allot the shares when they had to give away half the shareholders' money to the promoters. The money had been misapplied, and by certain Acts of Parliament they could compel those parties to refund the money. If they wound up the bank voluntarily they could not do it, as it could only be done by the Court of Chancery.

The Chairman said the resolution for winding up the bank under the Court of Chancery would meet with no opposition from the directors. £500 was given to certain of the directors to qualify them for the direction, and those directors, instead of taking 25 shares, which was all they had need take, took 200 shares.

A somewhat angry discussion ensued, in which several shareholders complained loudly of the manner in which the concern had been managed.

Mr. Freeman moved, and Mr. Harrison seconded, an amendment that the bank be wound up under the Court of Chancery, but after a slight discussion it was withdrawn.

The amendment for a committee of investigation was then put and carried unanimously.

In answer to a question,

The chairman said they had no desire to keep anything back, but would give the committee of investigation every assistance.

Messrs. Freeman, Vizen, Nutting, Freebody, and Pedler were then appointed as a committee of investigation.

The proceedings then terminated with a vote of thanks to the chairman.

IMPERIAL BANK, LIMITED.

The fifth ordinary general meeting of the shareholders of this bank was held on the 19th January, at the London Tavern; Mr. Alderman Lusk in the chair.

Mr. Manning, the secretary, read the following report:—

"The directors, in accordance with the regulations of the bank, submit the accompanying statement of account and balance-sheet for the half-year ending the 31st December, 1864; together with auditors' report thereon. The proprietors will notice that of the capital authorized to be raised by the issue of the new shares only £6,575 remains to be paid; and also that, from the 31st ult., the amount paid thereon will cease to carry interest, but these shares will, in lieu thereof, participate equally in all future dividends with the other shares in the original capital of the bank. The directors have to report that, after defraying the current charges of the bank, making allowance for bad and doubtful debts, rebate on bills, and providing for a dividend at the rate of 10 per cent. per annum, together with interest on the new shares, there remains a balance of £5,228. 18s., which the directors recommend to be carried forward to the profit and loss new account. The retiring directors, Michael Hall, Andrew Lusk, William Murdoch, and A. P. Petrocchino, Esqrs., being eligible, offer themselves for re-election. The auditors, George Broom and Peter Broad, Esqrs., also retire from office, and offer

themselves for re-appointment. The directors have the gratification to announce that the business of the bank is progressing satisfactorily, and ask the shareholders to assist in extending its operations."

Liabilities and Assets, 31st December, 1864.

<i>Dr.</i>			
Capital paid up, viz., £20 per share on 12,000 shares...	...	£240,000	0 0
Ditto on 10,500 new shares	...	203,425	0 0
Amount due by the bank on current, deposit, and other accounts	...	1,199,607	0 10
Reserve fund	...	51,268	0 0
Redemption of premises fund	...	208	0 0
Balance of profit and loss 30th June £4,700. 6s. 10d.; gross profits for half-year £58,017. 12s. 2d.—£62,717. 19s.; less interest paid to customers £17,765. 15s. 7d.	...	44,952	8 5
		<u>£1,739,480</u>	<u>4 3</u>

<i>Cr.</i>			
Consols and India debentures	...	£37,409	9 7
Bills discounted, loans to customers, &c.	...	1,550,700	6 9
Bank premises, furniture, and fixtures	...	22,584	14 0
Preliminary expenses	...	1,889	13 9
Cash in hand, at Bank of England, and at call	...	126,896	0 2
		<u>£1,739,480</u>	<u>4 3</u>

PROFIT AND LOSS ACCOUNT.

<i>Dr.</i>			
Current expenses, including salaries, rent, directors' remuneration, income tax, and allowance for bad and doubtful debts	...	£18,923	8 4
Amount carried to profit and loss new account, being rebate on bills discounted not yet due	...	5,303	11 3
Payment of dividend at the rate of 10 per cent. per annum, for the last half-year	...	12,000	0 0
Payment of interest on new shares, at 5 per cent. per annum	...	3,496	5 10
Amount carried to profit and loss new account	...	5,228	18 0
		<u>£44,952</u>	<u>8 5</u>

<i>Cr.</i>			
Balance brought down	...	£44,952	8 5

The Chairman, in moving the adoption of the report, said that it would be pure affectation on his part if he were not to say that he was exceedingly glad to meet the shareholders under such favourable circumstances. It was like a meeting of old friends who had got safe on shore again after a rough and dangerous voyage. The last six months were marked in commercial circles by very severe pressure, and were pregnant with great lessons to men in business. There were many crises of no ordinary kind which ended in all but a panic. Strong houses, old institutions, firms and individuals, were obliged to bow their heads to inexorable necessity. Their little vessel rode out the gale admirably, without the straining of a single timber or the loss of a single spar, and yet they did not turn away

a single customer with a good bill or a valid security. They did not re-discount a single farthing, and they had always a shot in the locker too. (Hear, hear.) Yet they must not entertain the idea that for banks there was any royal road to the making of money. The business of banking must be conducted on the same principles as other kinds of business. The merchant who dealt in iron, tea, sugar, or brass, if too ready to give credit, or to dispose of his goods in a bad market, must abide the consequences; and in the same way the banker who dealt in gold, silver, and copper, if too ready to give credit or to take securities that were not convertible would get into trouble, and therefore in the one business as well as in the other it was a matter of sound judgment after all. Young banks had a great many trials to encounter, and a great many dangers to avoid, to which older institutions were not equally exposed; and it was because they had passed safely through these difficulties that he stood before them with so much satisfaction and so much independence. They had made this half-year gross profits amounting to £58,000; and to show that this was a progressive business, he would refer them to the past. For the half-year ending December 31, 1862, their gross earnings were £5,044; and in subsequent half-years they were £10,036, £16,227, £35,855; whilst, as he had said, they were this half-year £58,017. (Hear, hear.) That he thought was a fair progress. The first half-year they made no dividend, and he thought very properly. The next half-year they divided 5 per cent.; last half-year 8 per cent; and now they proposed to divide 10 per cent. They carried to profit and loss the sum of £5,300, being rebate at the bank rate of the day, and they carried forward £5,200, which gave them £10,500 to start the new year with. The preliminary expenses stood as before, but there were some fractional shares, representing about £800, undisposed of, which would reduce the preliminary expenses next year to £1,000. The bank premises stood as they were, but he was informed on good authority that they were worth £15,000 or £20,000 more than they gave for them. (Hear, hear.) Ample provision had been made for bad and doubtful debts. The directors had taken £2,000 as their remuneration, although, having divided 10 per cent., they were entitled to £3,000. The branch at the West End was getting on very well; it paid its expenses the last half-year and left a little balance over. (Hear.) But he must observe that he was not in favour of branch banks, especially when they were at a great distance. He thought they had gone on as favourably as could be expected under the circumstances. He would remind them that it was impossible to go fast if they wanted to go safely. (Hear, hear.) And by going safely, but steadily, he had no doubt they would become a large establishment. In his opinion it was going fast enough to divide 10 per cent. and to put by a reserve £51,000. He believed there was no more safe or sound bank in the metropolis than the little bank at 6, Lothbury, opposite the Bank of England, and next door to the London and Westminster. (Hear, hear, and laughter.)

Mr. Dickson seconded the motion, which was carried unanimously.

The Chairman then moved, "That a dividend be declared at the rate of 10 per cent. per annum, free of income-tax, on the capital paid up on the 12,000 shares included in the first issue, and in lieu of dividend interest at the rate of 5 per cent. per annum, free of income-tax, on the capital paid up on the 10,500 shares included in the second and third issues, such dividend and interest to be payable on and after the 1st of February."

Mr. Antonio Ralli seconded the motion, which was adopted.

The retiring directors and auditors were re-elected.

On the motion of Mr. Flight, seconded by Mr. Vining, a vote of thanks was passed to the directors, and a similar compliment was paid to Mr. Bentham, the manager, and the other officers of the bank.

A vote of thanks to the chairman terminated the proceedings.

LONDON JOINT-STOCK BANK.

THE general meeting of the proprietors took place on the 19th January in the board-room of the bank offices, Princes-street; Mr. F. Rodewald in the chair, when the following report was submitted by the directors:—

“The directors have much pleasure in placing before the shareholders the annexed statement of the liabilities and assets of the bank, and of the profit and loss account for the half-year ending the 31st ultimo, by which it will be seen that the bank has made a net profit of £171,125. 9s. 7d., including £26,976. 7s. 10d. brought forward from the previous half-year. Of this amount the directors have appropriated the sum of £150,000 for the payment of the usual dividend, at the rate of 12½ per centum per annum, with a bonus of £1. 17s. 6d. per share, and have carried £21,125. 9s. 7d. to the credit of the guarantee fund. In pursuance of the resolution of the general meeting of August 18th, confirmed on the 15th September last, the issue of 12,000 new shares has been made, and the directors have the satisfaction to acquaint the shareholders that the subscribed capital of the bank is now £3,600,000, divided into 72,000 shares of £50 each, paid up to the extent of £15 per share, thus making the paid-up capital £1,080,000 entitled to participate in profits from the 1st January. The guarantee fund has been credited with the sum of £1,372. 19s. 6d., realised on the sale of 227 new shares not taken up by the allottees. This fund is also accredited with accruing interest, and debited with £4,875 to cover the depreciation in value of the Government securities since the 30th June, and now amounts to £298,069. 7s. 1d. With a view to avoid the inconvenience of varying the guarantee fund at the close of every half-year by an entry to regulate the market value of the Government securities held by the bank, and which is of no practical utility, inasmuch as these securities are held as a permanent investment, a resolution, of which notice by circular has been given to the shareholders, will be proposed to the meeting, to authorise the directors to value for the future, at par, the Exchequer bills, and at the fixed price of 90 all Consols and New Three per Cents. held by the bank. The following directors retire by rotation, under the provisions of the deed of settlement, viz.: Henry Christy, Esq.; Francis B. Goldney, Esq.; Charles J. Heath, Esq.; Henry Lee, Esq.; and George Pollard, Esq., who being eligible, offer themselves for re-election. The dividend and bonus, free from income tax, will be payable on and after Friday, the 27th inst., and the interest payable on the new share capital and premium is payable on and after the same day.”

Liabilities and Assets, December 31, 1864.

<i>Dr.</i>			
Capital paid up, viz., 60,000 shares at £10 each	£600,000 0 0
Carried forward	£600,000 0 0

London Joint-Stock Bank.

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Brought forward	£600,000	0	0
Capital called up in respect of the 12,000 new shares authorised to be issued by the resolution of the special meeting of the 18th August, confirmed on the 15th September last, at the rate of £10 per share, £120,000; amount payable as premium on the 12,000 new shares, as above, at the rate of £30 per share, £360,000—£480,000; less remaining unpaid at this date £11,690	468,310	0	0
Amount realised by the bank on the sale of 227 new shares (not taken up by the allottees), in excess of the premium of £30 per share	...	...	1,372	19	6
Amount due by the bank on current accounts, deposit receipts, circular notes, and acceptances	...	...	20,252,996	4	7
Amount of "The Guarantee Fund," 30th June, 1864, £276,301. 7s. 8d.; six months' interest on ditto at £3 per cent. per annum £4,144. 10s. 4d.	...	...	280,445	18	0
Less decrease since the valuation on the 30th June, 1864, in the market value of Government securities held by the bank £4,875	...	...	275,570	18	0
Undivided profit from the last half-year	...	...	26,976	7	10
Amount carried to profit and loss account	...	...	242,942	0	2
			<u>£21,868,168</u>	<u>10</u>	<u>1</u>

Cr.

Exchequer bills, and Government stock as per valuation of the brokers of the bank, at this date, viz.:—£300,000; Exchequer bills £300,866. 1s. 11d.; £800,000 Consols, and New Three per Cents. £719,512. 10s.	...	...	£1,020,378	11	11
Cash	...	...	981,019	1	0
Bills discounted, loans, and other securities	...	...	19,825,795	17	2
Building, furniture, &c. in Princes Street, £34,850; ditto ditto in Pall Mall £6,125	...	...	40,975	0	0
			<u>£21,868,168</u>	<u>10</u>	<u>1</u>

Profit and Loss Account for the Half-year ending December 31st., 1864.

Dr.

Current expenses, proportion of building expenses, directors' remuneration, bad debts, income tax, &c.	...	...	£35,273	16	3
Amount carried to profit and loss new account, being rebate of interest on bills discounted, not yet due	...	...	60,519	2	2
Amount payable as interest on the 27th January, 1865, on the new share capital and premium, together £480,000, in accordance with the resolution referred to in the foregoing statement	...	...	3,000	0	0
Dividend account for the payment of half a year's dividend at the rate of 12½ per centum per annum, upon £600,000, amount of paid-up capital upon 60,000 shares	...	...	37,500	0	0
Ditto, for the payment of a bonus of £1. 17s. 6d. per share	...	...	112,500	0	0
Amount carried to the "guarantee fund"	...	...	21,125	9	7
			<u>£269,918</u>	<u>8</u>	<u>0</u>

Cr.

Undivided profit brought forward from the last half-year	...	...	£26,876	7	10
Balance brought down	...	...	242,942	0	2
			<u>£269,918</u>	<u>8</u>	<u>0</u>

The Chairman, having declared the dividend and bonus in accordance with the report, said that it was his good fortune to preside at this meeting, with the most favourable accounts that the London Joint Stock Bank had yet presented in the course of its uniformly prosperous history. The exceptional value of money during the last six months had enabled the directors to secure the profitable results which they found embodied in the statement they held in their hands. And, speaking in the name of the board, he looked forward with confidence to continued success so long as the same careful superintendence and vigilance were exercised that now characterised the conduct of their affairs. They saw by the report that the important financial operation which was sanctioned by the shareholders on the 18th of August last had been successfully carried out. And this was all the more satisfactory because the enlargement of the basis of their capital would tend to confirm the confidence the bank enjoyed, and which had led to a very large increase of their business in the last year. He moved that the report be received and printed for the use of the shareholders.

Mr. Pollard, deputy chairman, seconded the motion.

A Shareholder requested that some explanation should be given with regard to the disposition of the new shares not taken up by the proprietors to whom they were allotted. He wished to know at what price they had been sold.

Mr. Brooking, chairman of the finance committee, and a director, said that by the resolution passed in August the call upon the new shares was payable on the 1st of September, but the board felt that they ought to give as much license as they could to the old shareholders, and therefore extended the time for payment two months, viz., to December 1. On making up the accounts to that date they ascertained that 227 new shares had not been applied for; they therefore decided that they would put these in the market and sell them for the benefit of the bank at the current rate of the day; and when they did so they found that the shares were worth a fraction over £46. So that, inasmuch as they had been offered to the old shareholders at £40 each, they were thus enabled to realise more than £6 a share, or in the aggregate a profit of £1,372. This the directors thought was a fair item to go to the guarantee fund; and it had accordingly been so disposed of since the 1st of January. The instalment upon the new shares carried interest at the rate of 5 per cent. This financial operation had entailed a large amount of extra duty upon the staff generally, which had been cheerfully and efficiently performed.

A Shareholder inquired if any additional grant had been made to the clerks and other officers for the extra services they had rendered?

Mr. V. Knight advised that that question should be left entirely in the hands of the directors, as it was one in which it would be very bad taste on the part of the shareholders to interfere.

Mr. Billings asked whether provision had been made by a suspense account or otherwise to meet any contingency that might arise in the shape of losses upon bills and liabilities; also whether the accounts had been audited by a committee of shareholders or independent auditors.

The Chairman replied that all bad and doubtful debts had been entirely written off and cleared, the balance-sheet presented a clear statement of the assets and liabilities, and there was nothing whatever behind. (Cheers.) With regard to the audit it was done by the directors, as the deed of settlement did not require that there should be any other.

A Shareholder thought it would be more satisfactory to the directors themselves, as well as to the proprietors, if the affairs of a bank of such magnitude were submitted to an independent audit. If the deed of settlement were faulty in that respect the sooner it was amended the better. He should like to know when the accumulations to the guarantee fund were to come to an end, or what the directors proposed to do with regard to it; for it seemed to him that those whose capital had made the guarantee fund were the persons who ought to have it. It ought not to be postponed for posterity or future proprietors to receive the advantage of that fund. At the same time he congratulated the shareholders and directors upon the result of their recent operations. The report was a brilliant one, and did the board the highest credit.

The Chairman said the bank was bound by the prescriptions contained in the deed of settlement, which were of such a nature that they must be closely adhered to. As to the guarantee fund, it was established by the deed of settlement for the equalisation of dividends, and to meet losses in exceptional years, when they were unable to pay the usual dividend. The business of the bank was a very extensive one, and in his opinion £300,000 was not an excessive guarantee fund.

The resolution was put and carried unanimously; the five retiring directors were re-elected: and a resolution agreed to in the terms of the paragraph in the report authorising the directors to value for the future at par the Exchequer bills, and at the fixed price of 90 all Consols and New Three per Cents. held by the Bank.

A discussion here arose relating to the guarantee fund, which elicited an explanation from the Chairman, to the effect that the deed of settlement could only be altered by act of parliament, and that an attempt having been made by a bill to introduce an alteration, the directors had been defeated and the bill thrown out.

A Shareholder asked whether the guarantee fund was a distinct fund.

Mr. Brooking replied in the affirmative, and added that it was to all intents and purposes a part of the working capital of the bank.

The Chairman said it would be better understood if this fund were termed the reserve; but the deed of settlement described it as a guarantee fund to equalise dividends, and the directors had no choice but to follow that example.

The proceedings terminated with votes of thanks to the chairman and directors for the able and successful manner in which they had conducted the affairs of the bank, and to the manager, secretary, and other officers for their efficient services.

BANK OF LONDON.

The eighteenth general meeting of the shareholders in this bank was held on the 19th January, at the London Tavern; Sir J. V. Shelley, M.P., in the chair.

The Secretary (Mr. C. J. H. Allen) having read the notice convening the meeting, the following report and statement of accounts were presented:—

“By the annexed statement of accounts, made up at the conclusion of the past half-year, which the directors have now the pleasure of submitting, it will be seen that the balance of profit amounts to £101,272. 2s. 2d.

After payment of interest upon the new shares, liquidating the current expenses, including a gratuity to the clerks of the establishment of 10 per cent. upon the amount of their respective salaries, making full provision for all bad or doubtful debts, and allowing for rebate of interest on bills discounted not yet due, there remains for disposal the sum of £62,719. 13s. 5d. The directors declare a dividend at the usual rate of £10 per cent. per annum, and a bonus of £2. 10s. per share, amounting together to £20 per cent. per annum, both free of income tax, and they transfer £30,000 to the reserve fund, which, with the addition of £136,570 received in respect of the new shares now amounts to £296,570. The balance, viz., £2,505. 4s. 8d., is carried to the credit of profit and loss account of the current half-year. The shareholders will be called upon on this occasion to elect an auditor, in the place of Mr. Alfred Lamb, whose resignation has been received. Mr. Francis Nalder, a duly qualified shareholder, has given notice that he is a candidate for the vacant office."

Liabilities and Assets, December 31, 1864.

<i>Dr.</i>				
Capital paid up	...	...	...	£300,000 0 0
Amount received on account of new shares	...	...	...	97,550 0 0
Reserve fund £130,000; ditto, premiums on new shares	...	...	...
£136,570	...	...	...	266,570 0 0
Amount due by the bank on current deposit and other accounts	...	...	...	4,314,967 16 0
Profit and loss account, after payment of £45,108. 3s. 2d. to customers for interest on their balances	...	...	...	101,272 2 2
				<hr/>
				£5,080,359 18 2
				<hr/>
<i>Cr.</i>				
Investments, viz.:—in Government securities, India bonds, &c.	...	...	...	£227,622 11 2
Ditto, in freehold premises in Threadneedle Street, let at a rental yielding $4\frac{1}{2}$ per cent. £40,000; freehold premises in the occupation of the bank £35,000	...	...	...	75,000 0 0
Bills discounted, loans &c.	...	...	...	4,029,881 11 2
Cash in hand, and at call...	...	...	...	747,641 7 1
Lease and buildings at Charing Cross branch, furniture, &c.	...	...	...	214 8 9
				<hr/>
				£5,080,359 18 2
				<hr/>

Profit and Loss Account for the Half-year ending December 31st, 1864.

<i>Dr.</i>				
Half a year's current expenses, at head office and Charing Cross branch, bad and doubtful debts, directors' remuneration, &c.	...	...	...	£25,895 13 1
Interest upon instalments of new shares	...	...	...	3,902 0 0
Rebate of interest on bills discounted not yet due, carried to profit and loss new account	...	...	...	8,754 15 8
Charing Cross branch lease account	...	...	...	214 8 9
Dividend for the half-year at the rate of £10 per cent. per annum	...	...	...	15,000 0 0
Bonus at the rate of 10 per cent. per annum, or £2. 10s. per share	...	...	...	15,000 0 0
Half-year's interest on the reserve fund at £4 per cent. per annum £2,600; amount now added thereto £27,400	...	...	...	30,000 0 0
Balance carried to profit and loss new account...	...	...	...	2,505 4 8
				<hr/>
				£101,272 2 2
				<hr/>

<i>Cr.</i>			
Balance of profit brought from last half-year	£11,321. 6s. 3d.;		
ditto, for current half-year	£89,950. 15s. 11d. ...	£101,272	2 2

RESERVE FUND ACCOUNT.

<i>Dr.</i>			
Balance		£296,570	0 0

<i>Cr.</i>			
Amount from last half-year		£130,000	0 0
Premiums received on new shares		136,570	0 0
Additions brought down		30,000	0 0
		£296,570	0 0

The Chairman, in moving the adoption of the report, said that he did so with great pleasure, and he supposed that the shareholders would hardly complain that very little variation was necessary in his observations so long as he only had to congratulate them upon the success of the undertaking. (Hear, hear.) They would observe that the sum of £97,550 had been received on 1,951 new shares, and that £136,570 had been added to the reserve fund. There were forty-nine new shares unappropriated, owing to fractional parts in the allotments, and when those were sold, as they would shortly be, the capital of the bank would stand at £400,000, and the reserve fund at £300,000. That had been, as they were well aware, the great object of the directors, and he was bound to say that they had received from the shareholders the greatest possible assistance and co-operation, and the result had been the establishment of a reserve fund which must secure to them the confidence of the public. Without pretending to prophecy what would be their future career, he was justified in expressing a hope that, provided they continued to conduct their business in the same prudent and cautious way as they had hitherto done, they might look forward with confidence to an increased dividend for the future. (Cheers.) He was quite sure that if ever a doubt could have arisen in the minds of the shareholders as to the desirability of setting aside a large guarantee fund for an institution such as this, the monetary crisis from which they were now emerging must have had the effect of utterly dispelling such doubts. He looked upon the price at which their shares stood in the market as the barometer by which they might judge of the public feeling with regard to the bank, and he thought that the shareholders must be perfectly satisfied upon that point. In fact, there never had been a period in which the joint-stock banks of the metropolis—that is to say, those which are well conducted—stood higher in the public estimation. (Hear, hear.) At the same time they must always be prepared for stormy weather, and the heads of this establishment had always felt that not only the shareholders but the public out of doors were deeply interested in their success, because should any difficulty arise, the public as well as the shareholders were liable to suffer; and it was, therefore, the duty of the board in conducting the business of this large institution to look to the interest of the public as well as to that of those immediately connected with the bank. The board firmly believed that the policy which they had adopted of looking rather to the future than to the present had been attended with great success, and that, with their large reserve fund, they might look for-

ward without any dread, come what might. (Cheers.) No doubt the price of money had been extremely high during the past half-year. He need not say that when that is the case institutions of this kind have more difficulties to encounter, and require more care and caution in their management. It may be noticed that to a small extent their figures were reduced, but the answer of the directors was that in such a crisis as that which they had passed through it was necessary to draw in their horns rather than to extend their business, whatever might be the temptation offered by the high price of money, and thereby to increase their risk. (Hear, hear.) That was a policy which they had steadily pursued during the whole period of the crisis. His colleagues and himself had had many anxious moments, but they now looked back upon the proceedings of the last half-year with pleasure, for although they could not go so far as to say that they were entirely unscathed from the numerous failures that had taken place, yet the sum which it had been necessary to set apart for bad debts was one wholly insignificant. (Cheers.) Under those circumstances he hoped that he was not taking upon himself too much when he said that the board met the proprietary under the most favourable auspices on the present occasion. He therefore begged to conclude by moving the adoption of the report.

Mr. Frith seconded the motion.

Mr. E. Tyrrell said that the best thanks of the shareholders were due to the directors and managers of the company for the mode in which they had conducted the affairs of the bank during the last six months, which was acknowledged upon all hands to have been one of the most trying periods of our commercial history. At the same time he wished to make an inquiry with respect to the course which the board proposed to pursue in future. He believed himself that the sum of £300,000 that had been set apart as a reserve fund was quite ample for the purpose of satisfying the public, but having arrived at that position he hoped that the directors would look more to the interests of the shareholders than they had hitherto done (though he would be the last man in the world to say that they had disregarded their interests), and divide among them the amount which they had hitherto placed to the credit of the reserve. As a matter of fact, he did not think that the confidence of the public would be one whit increased whether the reserve was £400,000 or £300,000, but he did think that the future earnings of the bank, after payment of all current claims, should be devoted to increasing the dividends, and thereby raising the value of the shares. (Hear, hear.)

A Shareholder alluded to a rumour that the bank had made a very large bad debt in reference to the account of their late auditor, Mr. Alfred Lamb, and inquired whether there was any truth in it.

The Chairman said that he was very glad the question had been put, because he also had been informed of a variety of rumours, and the real facts only showed how little such rumours were to be relied on. The directors had gone very carefully into the account of Mr. A. Lamb, and it would be satisfactory to the shareholders to inform them that the bank would sustain no loss whatever upon that account. (Cheers.) While the board looked to the shareholders to appoint proper and effective auditors they invariably made it a rule to be specially careful in respect to the account of any officer of the bank, and if they had happened to have sustained any loss upon Mr. Lamb's account, no one

would regret it more than the board. At the same time, while they were always liable to make losses, it was satisfactory to the board to be able to state that none had been made in this instance. (Cheers.) With reference to the question which Mr. Tyrrell had brought before them, he might remark that, as they all rowed in the same boat, it was not likely that any one on his (Sir J. Shelley's) side of the table would object to receive a large dividend, and the only exception which he took to the observations of his hon. friend was that he insinuated that the directors did not look sufficiently after the interests of the shareholders. He contended that the course they had pursued was eminently in the interest of the shareholders, though he refused to give that title to persons who bought into the company with the sole view of selling out when the shares were £2 or £3 higher than when they bought in. (Hear, hear.) He stated boldly that the course they had taken in forming such a reserve fund that nothing could affect them, was a course which was highly conducive to the best interests of the shareholders. At the same time, having attained the position to which they had aspired, the question as to any further increase of the reserve fund would, as was stated in a circular issued last year, receive the grave consideration of the board. He would not pledge the directors that there should be no further increase whatever, because, in the first place there would be the interest of the £300,000 reserve fund, which would naturally be added to it, but he thought that if all other circumstances justified it, and their prudent course of policy was attended by the same successful results, the directors would probably have to consider the expediency of offering an increased dividend, though he reminded the meeting that there would be little to complain of if it was as good as was now offered. (Cheers.)

Mr. Bone, one of the auditors, confirmed the statement of the chairman, that not one penny loss had been sustained by the bank on Mr. Alfred Lamb's account. The attention of himself and his co-auditor had always been called more particularly to Mr. Lamb's account, he being an auditor, and he was perfectly satisfied that no loss could be sustained upon it. He believed the rumour arose out of a statement in a circular which had reference to the wine trade; but although there might be a loss in the wine trade in consequence of his operations, there was none to this bank. (Cheers.) He (Mr. Bone) was also happy to be able to state that the comparatively small sum set apart to cover bad debts would more than cover them; a fact which must be very gratifying, considering the extraordinary commercial crisis through which they had passed. He felt, and had felt from the commencement, that the officers were always on the alert, and although they might have made larger profits they chose wisely and cautiously rather to do a steady and safe business than to jeopardise what they had already gained.

Mr. Haywood considered that the reply given by the chairman to Mr. Tyrrell was, on the whole, satisfactory; but thought that after the distinct statement in a circular issued in April last, the directors ought to divide all the surplus profit after raising the reserve fund to £300,000.

The Chairman quite agreed that they had arrived at a period when the reserve fund would not, according to the words in the circular alluded to, require to be increased to any "considerable extent" out of the future profits, "under ordinary circumstances;" but he could not pledge himself to its not being increased at all. The shareholders must place confidence in the board, and give them credit for doing what was for the real interest

of the company, and depend upon it they would endeavour to do ample justice to the shareholders, always bearing in mind the deep responsibilities under which the directors acted.

A Shareholder asked, with respect to the Charing Cross Branch account, whether the lease had expired and the debt extinguished.

The Chairman said that the board, foreseeing that those premises were likely to become extremely valuable, owing to the Charing Cross Railway coming there, had succeeded in procuring a renewal of the lease for 69 years at a merely nominal addition to the rent. (Cheers.)

Mr. Thompson (auditor) confirmed the statement of Mr. Bone as to the bank being no loser on Mr. Lamb's account.

Mr. Baxter made some observations in support of the view taken by Mr. Haywood with reference to the division of net profits, now that the reserve fund had reached the sum of £300,000, and referred to the position of the London and Westminster Bank and the Union Bank in justification of such a course.

The Chairman reminded the hon. proprietor that this bank had started as a competitor to older institutions; and it was above all things necessary for it to adopt such a course of policy as would gain for it the public confidence, and place it on the same footing as the older banks. They had now attained that position; and though, he repeated, he would pledge the board to nothing, he had no hesitation in saying that if everything went on as well as it had done hitherto, it would be the duty of the directors fairly and properly to consider the interests of the shareholders. (Cheers.)

The report and statement of accounts were then unanimously adopted, and the dividend declared, payable on the 26th instant.

On the motion of Mr. Tyrrell, seconded by Mr. J. Evans, Mr. F. Nalder was unanimously elected auditor in the room of Mr. Lamb, resigned.

Mr. Nalder having returned thanks,

Mr. Tyrrell proposed, and Mr. Beach seconded, a vote of thanks to the chairman and directors for their able and efficient services during the past half-year.

The Chairman having returned thanks,

Mr. Hughes proposed, and Mr. Love seconded, a vote of thanks to Mr. Marshall, Mr. Allen, and the staff of officers.

Mr. Marshall having responded to the compliment, the proceedings terminated.

CONSOLIDATED DISCOUNT COMPANY, LIMITED.

THIS company held its first ordinary general meeting, on the 20th January, at the London Tavern; Mr. T. S. Richardson in the chair.

The following is the directors' report and statement of accounts:—

"The annexed balance-sheet contains a statement of the accounts of the company made up to the 31st December, 1864. The balance carried to the credit of profits, after payment of all current expenses, amounts to £14,681. 2s. 5d.; against this amount, however, the directors regret having to write off a sum of £15,940. 14s. 3d. from losses by bad debts, leaving £1,259. 11s. 10d. to be carried to the debit of next year's account. While regretting this result of their first balance-sheet, the directors would remind the shareholders that the past year has been one of great

commercial distress, and has been characterised by frequent fluctuations in the value of money. In justice to the committee of management, the directors feel bound to state that the principal bad debts have arisen from the failure of firms who had previously enjoyed good credit, and were reputed to be of the highest respectability. During the past year, the expenses of management have been greatly reduced by the retirement of two members of the executive committee; arrangements have consequently been made for carrying on the business of the company at a very considerably less annual cost. In conclusion, the directors have to express their unabated confidence in the future of the company, and anticipate, when next they meet the shareholders, to show a very different result. In accordance with the articles of association the following directors (being the whole board) retire from office, and offer themselves for re-election:—Thos. S. Richardson, Esq.; F. J. Sargood, Esq.; G. W. Constable, Esq.; G. Denny, Esq.; James Thompson, Esq.; William M'Arthur, Esq.; William Little, Esq.; H. F. Sandeman, Esq.; and S. Baker, Esq. The auditors, James Cooper, Esq., and Whitbread Tomson, Esq., also retire, and offer themselves for re-appointment."

Balance-sheet, 31st December, 1864.

<i>Dr.</i>				
Capital account—362 shares £20 paid	£7,240	;	8,833 shares	
£10 paid	£88,330—£95,570	;	less unpaid call	£20—
£95,550	;	125 shares forfeited, £10 paid	£1,250	... .. £96,800 0 0
Loans, deposits, &c.	... ..			1,977,316 19 7
Balance carried to profit and loss account	... ..			18,573 17 9
				<u>£2,092,690 17 4</u>

<i>Cr.</i>				
Investments in Exchequer bills, Consols, and cash in bankers' hands	... ..			£75,089 19 4
Bills discounted, advances, &c.	... ..			1,995,438 8 2
Payment to Messrs. Sandeman, Sanderson, and Co., for purchase of their business	... ..			19,500 0 0
Preliminary expenses, including furniture and fittings for offices	... ..			2,662 9 10
				<u>£2,092,690 17 4</u>

PROFIT AND LOSS ACCOUNT.

<i>Dr.</i>				
Current expenses, including salaries, rent, charges on business, &c.	... ..			£8,892 15 4
Allowance for bad and doubtful debts	... ..			15,940 14 8
				<u>£19,833 9 7</u>
<i>Cr.</i>				
Balance of gross profits brought down	... ..			£18,573 17 9
Balance carried to the debit of profit and loss new account	... ..			1,259 11 10
				<u>£19,833 9 7</u>

The Chairman, in moving the adoption of the report, observed that when the company started a year ago it was in the anticipation of very different results from those which they had now to announce. At the same time, when they considered the commercial crisis which had characterised the last six months, no commercial man could be surprised at the losses which had been incurred, or feel that the managing committee ought to be blamed for them. They had not rushed indiscriminately into the discount market, or discounted paper for parties who were not at the time believed to be worthy of credit, but all their losses had arisen from the failure of firms whose respectability six months ago was undoubted, and whose acceptances would have been taken by any discount house in the City of London. He knew that there was an impression abroad that when money was at a high rate discount houses made large profits, and it might be complained that, considering the high value of money during the period over which the present accounts extended, their profits ought to have been considerably more. But the discount houses were really nothing more than the agents between the lending and the borrowing public. When money was at a high rate they had to pay to the depositors a high rate of interest for it, while on the other hand, that high rate reduced the demand for discount. It might be further said that the high rate of money at least enabled them to realise large profits upon the capital of the company; but that was not the case, seeing that £75,000, which represented the whole of their available capital, was invested in Exchequer bills and Consols, or included in the cash balance in their bankers' hands. As they were aware, upon the money at the bankers' they got no interest, while the Consols and Exchequer bills yielded only about 3 per cent., so that their profits must necessarily come out of the difference between the rate at which they borrowed money and that at which they lent it. Although they were unable on the present occasion to make any dividend, he had every reason to hope for a more favourable result at their next meeting. He ought to add that up to the 1st October they had made but one bad debt, and that amounted to no more than £43 or £45, of which they had already received £37. (Hear.) The entire bulk of the losses had arisen in October and November, and as he had said from the failure of firms whose respectability had up to that time been unquestioned. In reference to the price paid for the business, he might state that such was the confidence of Messrs. Sandeman and Sanderson in it, that they had taken more than half the amount of the purchase in shares, and were now by far the largest partners in the concern. (Hear.) Following the example of the chairman at a meeting of a similar company held the other day, he desired to assure the proprietors that the Consolidated Discount Company had not given any acceptances, not because they had not had the opportunity of doing so, but because the directors held that it was not the business of a discount house to give acceptances, but to confine itself to the legitimate business of borrowing money on the one hand, and lending it out again at a profit on the other. They had purposely made the worst of the case, and he had no doubt they would be able to present a more satisfactory statement next time. (Hear, hear.)

Mr. Sargood seconded the motion.

The Chairman having invited discussion and offered to answer all inquiries that might be put to him, a series of questions were asked by various shareholders, amongst them, how it was that only 9,000 shares were issued

out of the 10,000 authorised? Whether the £15,940 allowed for bad debts represented merely the losses ascertained up to the date of the report, or whether it included losses that might arise from bad or doubtful bills not yet due? How it was that no allowance was charged for rebate of current bills, and whether such rebate had been calculated? Why the 125 shares on which £10 each had been paid were put down as forfeited? On what basis the chairman rested his hopes of a more successful future? What were the names of the respectable firms by whose failure the losses had occurred, and whether it was likely anything would be recovered from them? What remuneration the directors received? Whether Messrs. Sandeman and Co. had been paid the purchase money for the business in full? What were the items of which the current expenses were composed? And what was the amount of the over-due bills?

In reply, the Chairman stated that it would be scarcely judicious to publish the names of the parties by whose failure they had sustained losses, but he should be happy to give the information to any shareholder applying at the office for it. The amount of the over-due bills was about £50,000, of which £12,000 were upon the Leeds Banking Company, and would, he presumed, be recovered in full. Six months ago no one would have said that the managing committee were wrong in discounting bills endorsed by the Leeds Banking Company. (Hear.) The remainder were upon various other parties, who at the time were generally considered respectable. The directors, having examined these bills, and calculated the amount they might expect to get back upon them, estimated the ultimate loss at the sum put down, £15,940.

A Shareholder—Gladstone's house, I believe, is one of those by which we have sustained losses?

The Chairman—Yes, there was one bill of Gladstone's, but, as I have said, I think it hardly fair that we should be called upon to state the names publicly here.

Another Shareholder—I do not see that you need stand upon ceremony in such notorious cases as those of the Leeds Bank and Messrs. Gladstone. (Cheers.)

The first Shareholder—Has there not been also a large loss from the failure of Mr. Solomons?

The Chairman—There has. No doubt we have a large amount of Mr. Solomons' paper; but I am sure no discount-house would have refused to take that paper when we did, and had it not been for the fraud committed upon him he would not have failed, but would have been going on now. We had only one of Gladstone's bills. Now that you know the names by which we have sustained the greater part of the losses, you will, I think, admit that I was perfectly justified in saying that they were those of respectable parties when we discounted their paper. With regard to the forfeited shares, some few of the shareholders failed to pay the last call of £2 per share at the time fixed, and the directors wrote to them that unless they paid before a certain later date the shares would be declared forfeited. Some did pay, but a few did not. These, upon finding that the shares were forfeited, applied to have them re-allotted to them, which the board consented to do on the payment of a small fine. Those who did not pay the fine of course would not have their shares back. With regard to the issuing of the shares, he thought the directors had exercised a very wise discretion, and it might have been better, perhaps, if they had not issued quite so many as they had, as in that case so many would have

been forced upon the market. But the board, in dealing with the applications, knowing that there were many persons who were in the habit of applying for shares merely in order to realise an immediate profit by selling them at a premium in the market, only allotted to persons who were likely to take them as an investment, and not as mere speculators. No doubt, had the rebate on current bills been charged, the balance-sheet would have shown a larger loss; but the auditors, one of whom was a professional man, and the other a manager of a bank, thought it better that the accounts should be made out as they were. The amount of the rebate had been calculated at £7,000.

A Shareholder thought that the auditors had not done their duty in not insisting that the rebate should appear. (Hear, hear.)

The Chairman continued—The basis of his hopes for the future was the good business they had, and which, had it not, in an exceptional year, made some exceptional losses, would have shown a very handsome profit in the present balance-sheet. (Hear, hear.) They were now doing a very good business, and it had doubled since this time last year. (Hear, hear.) The directors had not taken any remuneration for their services, although, having worked for the company to the best of their ability, they felt that they were entitled to it. But they preferred to leave that matter to the shareholders. The entire of the purchase money for the business had been paid, £11,000 in shares, which were still held by Messrs. Sandeman and Sanderson. The current expenses were composed of rent of offices, salaries, and so forth. Messrs. Sandeman and Sanderson were the members of the managing committee who retired.

The motion adopting the report was then put and carried without opposition.

The Board of Directors were, on the motion of Mr. King, seconded by another proprietor of the same name, re-elected *en masse*. The seconder referred to the early difficulties of the National Discount Bank and others of the first monetary establishments, as forming, when contrasted with their present position, ground for encouragement in their own case.

The Chairman briefly expressed the thanks of the board for the renewed confidence of the shareholders.

The auditors were re-elected after a short explanation from Mr. Cooper as to the reasons why the accounts were made out in the form they were.

A motion, awarding twenty guineas each to the auditors for their services, was opposed by two shareholders, on the ground that there was no allusion made in the balance-sheet for rebate on current bills, but on a show of hands the original motion was carried by 20 to 12.

A vote of thanks to the chairman and directors closed the proceedings.

INTERNATIONAL FINANCIAL COMPANY.

THE second annual meeting of this company was held on the 21st January, at the London Tavern; Mr. R. A. Heath in the chair.

The Secretary, having read the notice convening the meeting, read the following report and statement of accounts:—

“The accounts made up on the basis of the valuation of the company's securities at the market price on the 31st of December last, show a net profit, after deducting all current expenses, of £103,808. 11s. 2d. The

directors recommend that this amount be appropriated as follows:—1. £37,500 to payment of interest at 5 per cent. per annum on the called-up capital, whereof one-half (or 2s. 6d. per share) was paid by way of interest on account in July last. 2. £37,500 to bonus of 5s. per share to make, with the half of the above interest now payable, a total dividend of 7s. 6d. per share, being altogether a payment of 10 per cent. per annum, free of income tax. 3. £5,428. 4s. 9d. to reserve fund, in conformity with Clause No. 25 of the Articles of Association, raising the total amount of this fund to £23,429. 4s. 2d. This, after deducting the necessary amount for income tax, will leave a balance of £20,919. 11s. 11d. to be carried forward to new account."

Balance-sheet, 31st December, 1864.

Dr.

Capital account, viz.—Deposit of £2. 10s. per share on 150,000 shares £375,000; first call of £2. 10s. on 150,000 shares £375,000		...	...	...	...	...	...	£750,000	0	0
Sundry creditors	...	...	...	...	...	...	...	8,203	13	10
Bills payable	...	...	...	...	...	...	...	247,421	4	10
Reserve fund	...	...	...	...	...	...	...	18,000	19	5
Profit and loss balance at credit of this account	...	...	...	...	...	...	...	103,808	11	2
								£1,127,434	9	3

Cr.

Cash at bankers, in hand, and on deposit	...	...	...	...	...	...	...	£49,284	9	8
Sundry debtors—For advances on security, &c.	...	...	...	...	...	...	...	600,072	2	8
Bills receivable, in hand	...	...	...	...	...	...	...	6,075	18	9
Sundry investments at market value	...	...	...	...	...	...	...	453,251	18	2
Interest at the rate of 5 per cent. per annum, paid July, 1864	...	...	...	...	...	...	...	18,750	0	0
								£1,127,434	9	3

Profit and Loss Account from 1st January to 31st December, 1864.

Dr.

Current expenses, including salaries, directors' allowances, stationery, and other charges		...	...	...	...	...	...	£14,450	16	5
Balance, carried to balance-sheet	...	...	...	...	...	...	...	103,808	11	2
								£118,259	7	7

Cr.

Balance of profit and loss account, 31st December, 1863, £76,680. 19s. 5d.; less depreciation on securities, then held, since partly realised, and the remainder now valued at the market price on this day, £64,654. 16s. 2d.		...	...	...	...	...	...	£12,026	3	3
Gross profits for the year ending 31st December, 1864	...	...	...	...	...	...	...	106,233	4	4
								£118,259	7	7

*Proposed appropriation of Balance at the credit of Profit and Loss Account, 31st December, 1864.**Dr.*

Interest at the rate of 5 per cent. per annum on paid-up capital, for the six months ending 30th June, paid 15th July, £18,750; interest at the rate of 5 per cent. per annum on paid-up capital for the six months ending December 31st £18,750; bonus of 5s. per share, by way of additional dividend, £37,500; making in all 10 per cent. per annum, free of income tax		£75,000	0	0
Amount carried to the credit of reserve fund, as per Articles of Association No. 25, raising the amount of this fund to £23,429. 4s. 2d.		5,428	4	9
Income tax		2,460	14	6
Balance carried to profit and loss new account... ..		20,919	11	11
		£103,808	11	2

Cr.

Balance at credit of profit and loss account	£103,808	11	2
	£103,808	11	2

The Chairman, in moving the adoption of the report, said that since they last met, on the 1st of March last year, they had, as they all knew, had to go through a very difficult time. There had been no period in the year 1864 when the bank rate of interest had been below 6 per cent., and for one quarter of that year it was as high as 9 per cent. They might very well imagine, under those circumstances, the difficulties with which financial companies had had to contend. A financial company, as he understood the term, ought to have facilities beyond the use of its own capital, which facilities last year could not be obtained without great sacrifice by issuing debentures at a high rate of interest, and that was a course which they did not think it was prudent to adopt. (Hear, hear.) They had therefore been limited in their operation to the use of the capital they had called up—namely, £750,000, of which a considerable portion was, as the shareholders were told at the last meeting, locked up in Hudson's Bay shares. He was happy to be able to inform the meeting that they did not now hold anything like the same number of Hudson's Bay shares as they held on the occasion of the last meeting, and he thought they would think with him that, under the circumstances to which he had alluded, a profit which enabled them to pay a dividend at the rate of 10 per cent. was not to be despised. He should have been glad if the board had been able to announce a larger dividend, but on the whole he thought they would consider it a good one, particularly when he assured them that every security they held was valued on the 31st of December last at the lowest price of the day. Since that time they had sold some few things out of the list at a profit, and none of them below the price at which they stood, and therefore they held no securities whatever in which they had not the most perfect confidence. With respect to the high rate of the bank discount to which he had alluded, he could not help observing what must have been observed by every one conversant with monetary affairs, namely, that taking into consideration the events of last year,

the whole country had been preserved from a wide-spread panic and serious disaster by the exceedingly good management of the Bank of England. The Bank Act had worked remarkably well all through the trying time which they had passed. Since the last meeting this company had brought out various schemes connected with public companies, which had rendered them good commissions. He was not, of course, at liberty to state what the commissions were on each particular scheme, because the business was not exclusively theirs, but belonged to other companies. It would be exceedingly imprudent to give any particular details in respect to the securities which they held, because the information they gave might be used for Stock Exchange purposes, and could do no good. (Hear, hear.) They had a signal proof of that in the position in which the Hudson's Bay property stood in the market shortly after the last meeting. If this board had not stated so openly as they did the exact number of shares it held in that company, the public would not have felt that there was a sort of incubus hanging over them, and that the market might at any time be swamped by a large number of shares being thrown into it. As a matter of fact, however, the shares which they had sold had always been sold on a rising market, and, as he had stated, the company had got rid of a considerable portion of their shares. A good deal of misapprehension existed in respect to one of the operations of the company; he alluded to the loan made to the Cordova and Malaga Railway Company. That loan was, however, guaranteed by five first-rate houses, and the International Company had their bonds for all bills issued by them. They received a good commission and a fair rate of interest for that loan, and their responsibility ceased at the end of the year. It was not a loan, as was stated, and generally believed, to the Spanish government, but a loan made to the railway company, in order to enable them to complete their works. That company were entitled, by their arrangement with the Spanish government, to a subvention, which was divided into three parts. The first part of the line had been completed, and the sum specified in the subvention had been paid. On the second part of the line all the rails had been laid down, but the money had not been paid because some difficulties had arisen with respect to ballasting the line, and most likely the second and third part of that subvention would come due together, and without the assistance of this or some similar institution, the Cordova and Malaga Railway Company could not have finished the line in time. He maintained that the operation entered into by this company in respect to that line, so far from being an assistance to the Spanish government, had in reality brought a considerable pressure to bear upon it. It was that which he wished particularly to draw their attention to, because much misunderstanding had arisen upon it. Those, he could assure them, were the pure and simple facts of the case. (Hear, hear.) He was not aware that he need advert to any other particular point, but he should be happy to answer any questions put by the proprietors, provided they were questions which could be answered with a due regard to the interests of the company. He concluded by proposing the adoption of the report, and that a dividend of 7s. 6d. per share, free of income tax, should be declared in conformity with the same. (Cheers.)

Mr. Morgan seconded the resolution.

Mr. Parminter thought that the majority of the shareholders would agree with him that the balance-sheet should show the exact financial posi-

tion of the company, and he complained that the accounts had not been rendered in sufficient detail to enable the shareholders to form an opinion as to the progress of the institution. All that they could ascertain was that advances had been made on one description of securities to the extent of £600,000, and on another description the market value of which was £450,000. Now, he thought that if that was all the information vouchsafed by the directors, the shareholders would in reality go away very little wiser than they came. They had been told a little about the Malaga Railway advance, but as a private shareholder, holding 200 shares, he did hope that in future no advances would be made to the Spanish government or railways in any shape whatever; for although such operations might render them a large commission and a high rate of interest, yet he thought that the International Financial Society, which was second to none in the City of London, lost a large amount of prestige through such operations. He was delighted to hear that the Hudson's Bay investment had been reduced, but he thought a little more information on that subject was due to the proprietors. Last year they were told that this society held 17,140 shares in the Hudson's Bay Company. He thought they ought to be told whether the board took those shares voluntarily as a speculation of their own, or whether they were compelled to take them from the fact of the public not applying for that number. He had been told that it was a voluntary act on the part of the board; but if so, he must doubt the wisdom of the policy which induced them to lock up so large an amount of their capital in an investment which, whatever may be the intrinsic value of the shares, must necessarily be somewhat slow in its character, and which could only yield a comparatively low rate of interest. He did not want to press too much for details, because there was undoubtedly some truth in the remark of the chairman that to do so might prejudice the interests of the society; but inasmuch as a shareholder in companies in which the International Financial Society held shares would be apt to consider that the company in question must be perfectly safe, otherwise this society would not embark in it, there was not quite so much danger in the chairman giving them full information as would at first sight appear. There was only one other point to which he wished to call the attention of the directors, and that was as to the expediency of holding half-yearly meetings. (Cheers.) He apprehended there would be no difficulty in doing so, because he observed that the accounts which were balanced on the 31st December were audited and completed by the 4th of January. He concluded by expressing his thanks to the directors for the promptness with which they had sent out the accounts.

A Shareholder, who spoke from the body of the room, expressed his satisfaction at the manner in which the directors had conducted the affairs of the association in the trying time through which they had passed. He did not concur in the opinion of the gentleman who had just spoken with respect to the propriety of making their investments public. It might be very well to do so in other companies, but this was a company in which the shareholders deposited their money confidentially in the hands of the board to deal with it in no particular, specific manner, but according to the best of their judgment; therefore they ought to be satisfied when the directors came before them, and without stating the precise operations in which they had engaged, assured the proprietors that they had made a *bonâ fide* profit. They would act most unwisely if they endeavoured to extract from them information as to every individual operation of the company. In a

society such as this the most implicit confidence was required. Unless that confidence was placed in the directors no business at all would be done. This was entirely a question of confidence in the management, and as he had the fullest confidence in the ability and integrity of the board, he must confess that he differed entirely from the views expressed by the last speaker.

The Chairman said that Mr. Parminter was entirely mistaken in supposing that the board had invested their capital in Hudson's Bay shares as a speculation. The gentlemen who brought out that company made an arrangement with the International, the terms of which were stated at the last meeting. By that arrangement the International agreed to take all their £100 stock at £300, and to issue it to the public at £400. The directors of the Hudson's Bay Company promised to use all their influence to obtain the whole amount of the stock from the shareholders, and they succeeded (within a very few thousand pounds) in obtaining promises to transfer the stock from their shareholders to this company. Letters were sent round and the promises obtained; but the obtaining the promises to transfer the stock, and actually transferring into the name of this company so as to enable them to deal with it, were two different things; because, naturally, delay arose, and when the day of allotment came it was found that there was a considerable amount of stock for which they had not obtained the legal transfer, therefore the company were obliged to keep a good deal of it *volens volens*. It was all applied for, and had it been all in the hands of the company at the time it would have been all allotted. The statement therefore that the directors took it as a speculation was unfounded. (Hear, hear.) The Articles of Association prescribed an annual meeting, but gave the board the power of calling extraordinary general meetings, and if the shareholders desired it they would be happy to call one half-yearly. (Cheers.)

M. Villesboisnet considered it would be very imprudent to give explanations with respect to the details of the society's operations at their public meetings, and thought it quite sufficient if the auditors looked carefully into such matters.

The Chairman stated that the minutest details of every transaction were laid before the auditors. (Cheers.)

Mr. Josephs differed entirely from Mr. Parminter in the observations he had made, and as a proprietor, objected to having his property depreciated by gentlemen who came there with the view of putting questions to the directors in reference to the details of their business. He trusted that the board would never forget that besides possessing a large interest in the society, they were also trustees for those who had invested their money in it.

Mr. Bevan complained that the shareholders had no materials in the report or statement of accounts to guide them to anything like a sound judgment in respect to the policy of the investments made by them. He wished to know whether a report which had reached him, that the society had lent £200,000 at £6 per cent. for seven years to the Mauritius Land Credit Company, was true, and also whether they had advanced a large sum of money, which was permanently locked up, on a building speculation in Turin. It had been stated to him that before the seat of the Italian government was removed from Turin the board had committed themselves to a very large investment in that city, and he thought that in a matter of that gravity the shareholders were entitled to some information.

The Chairman did not know whether he ought to be called on to answer the question about the Mauritius Land investment, but the operation was not such as had been described by Mr. Bevan. They had entered into an operation with the Mauritius Land Company, for which they had received a good commission, and had granted certain debentures at 6 per cent. The operation, which in the opinion of the board was a very good one, would extend over a number of years, and more than that he would rather not say. (Hear, hear.) The Turin matter stood entirely on a different footing, and this company were not mixed up with any other in that respect. The Turin building matter was simply this. A concession had been brought to them long before the removal of the capital was contemplated, and the operation was considered a very good one. It was not considered likely that there would be any removal of the Italian capital till it was fixed at Rome, and the interim removal to Florence took every one by surprise. However, the operation after all was not a bad one. They intended to sell the houses as they were finished, and they had sold one already. The investment was calculated to pay at least 10 per cent., and that was the very worst they could see of it.

In answer to a further question,

The Chairman said that the whole amount invested in this speculation was £280,000, which was to be advanced at 6½ per cent., the amount being guaranteed by the municipality of Turin. As, however, they did not spend nearly so much as £280,000, the returns came out higher. It was not to be supposed that it was anything like a permanent investment of £280,000.

A Shareholder in the body of the room expressed his opinion that both the operations referred to were inexpedient, and asked for further information on them.

The Chairman stated that without the general assent of the meeting he must decline going into further details, and it was not in the interests of the company he should do so. (Cheers.)

Mr. Kimber was of opinion that the line must be drawn somewhere. He thought that it would be quite sufficient if the directors could assure them, on their honour and character, as men of business, that the operations in question were likely to turn out profitable.

The Chairman said that he had no hesitation in saying that, in the opinion of the board, the operation in question would realise at the very lowest 10 per cent. He repeated that the directors had every confidence in the securities which they held.

In reply to a question from a Shareholder,

The Chairman stated that at the present moment there was no intention on the part of the directors to make any further call upon the shareholders. They felt that the proper mode of proceeding was to issue debentures at £5 per cent., which might be paid off as they fell due, whereas if they made further calls the result would be that they would have a much larger capital to pay upon.

Mr. Black pointed out that the profit realised by the employment of the extended capital of the company was not equal proportionately to that made last year, and that as it was very important to enlarge the basis of the company by the increase of the number of shareholders, it would be desirable that the chairman should state his views as to the future prospects of the company. (Laughter.)

The motion for the adoption of the report was then put and carried unanimously.

The auditors were then re-elected, and

The Chairman, in putting the question whether there should be a half-yearly meeting, explained that it would not be for the purpose of declaring a dividend; but there would be no objection to the production of a statement of accounts. (Cheers.) Indeed, the observation of Mr. Parminter, with reference to those of December being audited and completed on the 4th of January, might be applied almost to every week in the year, so closely were they kept balanced. (Cheers.) In reference to an observation of the last speaker, he said that he was glad to be able to announce that the number of shareholders, which in March last year was 1,400, had increased to 2,400, and the board hoped that the subdivision of the property which had thus taken place would in some degree put an end to the extreme fluctuation in the value of shares, of which the directors had to complain.

Mr. Galsworthy, in returning thanks, observed that not only were the auditors quite satisfied with respect to the statement of accounts and the soundness of the investments, but it would be a matter of astonishment to the shareholders that the total of the working expenditure, after paying the directors' allowance, did not amount to more than 2 per cent. on the capital. (Cheers.) He might also explain that, although the accounts were made up to the 31st of December, and the audit was completed on the 4th of January, it did not follow that the audit had been completed in four days. On the contrary, the auditors examined all the securities before the end of the year, and only completed their audit on the 4th of January.

This being the whole of the business, a vote of thanks to the chairman concluded the proceedings.

LONDON FINANCIAL ASSOCIATION, LIMITED.

THE third half-yearly general ordinary meeting of this association was held on the 23rd January, at the Baltic (South Sea House), Threadneedle-street, Mr. John Hackblock in the chair, to receive the directors' report and to declare a dividend for the half-year ending 31st December last.

The following report was then read :—

"The directors have now to report to the shareholders the result of the operations of the association for the half-year ending 31st December, 1864. After deducting the current expenses of the half-year, and rebate of interest at the rate of 6 per cent. per annum, the directors are enabled to recommend the payment of a dividend at the rate of 5 per cent., with a bonus at the rate of 10 per cent. per annum, free of income tax; there will then remain a balance of undivided profits of £40,063 8s. 6d. to be carried forward to next half-year. The dividend and bonus together amount to £1 2s. 6d. per share on the old, and 18s. 9d. on the new shares. Henceforth the distinction between the old and new shares will cease, the same amount (£15 per share) being now paid up on each description. By the Articles of Association two directors retire annually in January; in conformity with this regulation Messrs. J. Borradaile and J. Walker go out of office, but being eligible, offer themselves for re-election. The auditors, Messrs. John Ball and Richard B. Wade, also offer themselves for re-election."

*Balance-sheet, 31st December, 1864.**Dr.*

Capital called up, viz.:—£15 per share paid on 40,000 shares	£600,000	0	
Reserve fund, viz.:—Balance at 30th June, 1864, £81,500 ; interest thereon six months, at 5 per cent. £2,037. 10s.	83,537	10	
Liabilities—Comprising amounts due on deposit receipts, interest thereon, and current accounts	697,479	9	
Profit and loss—As per annexed statement	92,624	15	
	£1,473,641	14	1

Cr.

Assets, viz.:—Cash in Bank of England, City Bank, and on deposit at interest	£67,149	7	
Loans, securities, and current accounts	1,406,492	7	
	£1,473,641	14	1

*Profit and Loss account, from 1st July to 31st December, 1864.**Dr.*

Current expenses, including salaries, managers' and directors' allowances, advertising, books, stationery, office fittings, rent, and all other charges	£12,823	15	
Balance carried down	92,624	15	
	£105,448	11	2

Cr.

Gross profits, viz.:—Balance of undivided profits brought forward from 30th June, 1864, £21,408. 18s. 9d.; amount for half-year ending 31st December, 1864, £84,039. 12s. 5d.	£105,448	11	2
Dividend at the rate of £5 per cent. per annum on paid-up capital £13,750 ; bonus, at the rate of £10 per cent. per annum, on paid-up capital £27,500	£41,250	0	0
Income tax	1,726	8	0
Balance, being undivided profits, carried to new account	40,063	8	6
	£83,039	16	6
Balance brought down	£92,624	15	9
Deduct rebate of interest on loans not due, taken at 6 per cent. per annum	9,584	19	3
	£83,039	16	6
Balance of undivided profit carried forward to new account	£40,063	8	6

The Chairman, in moving the adoption of the report and accounts, observed that the report spoke so clearly for itself that it required no comment from him, and the same might be said of the accounts and balance-sheet ; but he wished to offer some explanatory remarks. The more they read the report the better they would like it. If they turned to the credit side of the balance-sheet they would see in the assets,

loans, securities, and current accounts, £1,406,492, and in reference to this, he would repeat what he had said at the last meeting, that these were not their own securities, but they were lodged, the great bulk of them, with the company as collaterals; consequently so long as they had a good margin, over and above their value, the precise amount or value did not interest the shareholders so long as they were well covered. They held on security but a very small portion of their own property, and of that a few shares were taken at the market price of the year. The debentures and bonds which had come to them in the shape of business were all valued at very low rates, and would bear a very good profit. The profit on the half-year had been £84,039; that was by far the best year they had had, and this profit had been made up without any commissions for the introduction of a single new company, but from legitimate business, of a sound and unquestionable character. This, with the balance brought forward from the previous half-year, £21,408, enabled them, after paying current expenses, providing for a dividend at the rate of 5 per cent. per annum, and a bonus at the rate of 10 per cent., and making full allowance for the rebate, to carry forward a balance of £40,063 undivided profit to the credit of the new account, being about £18,000 more than on the previous occasion. The great object the directors had in carrying forward this balance was not merely to show that the whole of their business was conducted with as little speculation as possible, but to give confidence to their depositors and the public. They had not lost a single shilling, nor was it probable—he would not say it was impossible—they should do so, but if such a misfortune should occur, they would have in this amount so carried on the means of providing for it, and of equalising the dividend. For himself he should like to see the balance carried forward, augmented considerably beyond its present amount, so as to have one or two dividends in advance—(hear), which would give increased stability to the company and advance its welfare. The reserve fund had the interest carried to it as before, and would be increased by that amount.

A Shareholder inquired whether it was proposed to carry any portion of the £40,000 surplus to the reserve fund. He thought the reserve should be made up to £100,000, and by transferring £16,200 of the surplus to that account it would be made up to that sum.

The Chairman—The understanding when the new shares were issued was, that this £80,000 should go to the reserve, which should afterwards increase by the addition of its own interest until it reached £100,000. He thought it was sound policy on the part of the directors to carry forward the £40,000 for the purposes he had stated, and he should be happy to see it go further.

Mr. Bevan said it must be exceedingly gratifying to the shareholders to hear that they had not made one shilling bad debts. There had been rumours of extensive Greek operations in the company's shares. He trusted that the Grecian Phalanx, which was invented to oppose an enemy, would not now be used against friends.

Mr. J. E. C. Koch, a director, explained that the transactions referred to were merely transactions in which money had been advanced by members of the Stock Exchange on the security of shares, the company itself having no power to deal with shares in that way.

The Chairman said that he believed very few shares indeed were under loan, and of those that were the company had not the slightest interest in

them. There was no truth in the statement which had been made that losses had been sustained through an individual whose name had been mentioned in reference to these transactions.

The motion for adopting the report was then carried, and a dividend and bonus at the rate of 15 per cent. were declared payable on and after the 24th instant, free of income tax (being a dividend at the rate of 5 per cent. per annum, and a bonus at the rate of 10 per cent.)

The retiring directors and auditors were re-elected, and the sum payable to the auditors was increased to £100 each.

A vote of thanks to the chairman and directors closed the proceedings.

FINANCIAL CORPORATION, LIMITED.

THE second ordinary general meeting of the shareholders of this company was held on the 23rd January, at the London Tavern, for the purpose of receiving the report of the directors and other business. J. Goodson, Esq. the chairman of the company, presided.

The following report was taken as read :—

“The directors have now the satisfaction of placing in the hands of the proprietors the accounts of the corporation, made up to the 31st December last, and duly audited. The gross profits realised during the period the corporation has carried on business (about ten months) is £31,836. 9s. 9d. After deducting the *ad interim* dividend paid in July last, expenses of management as far as ascertained, 20 per cent. of the preliminary expenses, and the rebate on current bills, &c., the net surplus amounts to £19,128. 5s. 10d. The directors, having regard to the fact that many of the transactions in respect of which profits are brought into the present account are not yet matured, and that some of the securities held have been much depreciated by the present pressure on the money market, desire to retain a large proportion of the above sum in hand, and they trust the proprietors will cheerfully concur in this precautionary measure, with a view to the future security of the undertaking. The following apportionment of the net surplus is, therefore, proposed, viz. :—£4,568. 3s. 10d. for a dividend for the past half-year, at the rate of 10 per cent. per annum on the paid-up capital; £10,000 to the formation of a reserve fund, and the balance of £4,560. 2s. to be carried forward to the next account. The directors have received various communications from the proprietors regarding the depressed state of the shares of the corporation upon the market, and suggesting various remedies. They desire to state once for all that the board gave its undertaking to the committee of the Stock Exchange not to traffic in or make advances upon its own shares; and that undertaking has been rigorously adhered to. Since the 31st of December a considerable portion of the calls then in arrear have been paid.”

The Chairman, in moving the adoption of the report and accounts, said everything was pretty clearly expressed in the accounts, and he believed every figure in the balance-sheet was honestly explained. The profits for the last ten months had been £31,836, and although some of the transactions had not been matured, they were justified in declaring the dividend which he would presently submit to them. Of course in an institution of that kind time was necessary for the different transactions to mature, and therefore they could not say at once how they would end, but they had no reason to suppose they would not be satisfied. In declaring a dividend

of 10 per cent. they were aware they had given them an interim dividend, and that absorbed altogether £7,000. Acting with that notion of prudence which ought to regulate every well conducted establishment, they had reserved an amount equal to 75 per cent. on the profits for the purpose of meeting any contingency that might possibly arise. At the same time no contingency had arisen, nor did they expect any. But to be fortified in their position they had taken the opinion of the two able auditors, and their strict and unprejudiced opinion was in favour of the course proposed by the directors. One remark he would make about jobbing in shares. The board had been particularly desirous of having everything done before the world, and the Stock Exchange had had the assurance that nothing of that sort of thing, dealing in shares, would be carried on by the directors or by any one acquainted with them. It was not his custom to carry on trade in that sort of way; he liked everything "above board," and he never wished to bolster up anything for his own profit or the profits of those with whom he was connected. They coveted inquiry, and he should be glad to answer any question that would be asked. He begged to move the adoption of the report.

Mr. J. D. Thompson seconded the motion.

Mr. Preston asked, supposing the statement made by the chairman to be correct, whether there was no risk as to the future on present transactions, were they not carrying too large an amount to the reserve fund—three-fourths—seeing that their shares were unfortunately at a great discount in the market.

Mr. Woolf asked if the directors had advanced the large sum of £47,000 on one security—a security which would be locked up for a very long time.

Mr. Stovin complained that the cost of management was excessive. The cost of management of the International was stated to be only 2 per cent. on the paid-up capital, whilst theirs seemed to amount to 20 per cent. Again, how far were they justified in declaring a dividend at all? The point was this, was there any reason or ground why that rider should be put to the accounts by the auditors? It appeared to him a doubtful question, and one probably that could be answered by the directors, because it had thrown a certain amount of suspicion on their transactions, and depreciated their property in the market. With respect to the promoters' fees, he wanted to know in what way that amount (£7,500) was to be paid, and if the whole of it came out of the allotment fees as stated in the articles of association, or if any certain portion of it had been paid, and if it were to be spread over a certain number of years? In article 89 the qualification of a director was the holding five shares; he wished to ask how this was, for it would be satisfactory to the shareholders to know they held a large stock and had an interest in the affairs of the company.

Mr. Johnson asked how much dividend properly belonged to the past six months?

Mr. Vizer asked if there were any larger amounts standing over, seeing the largeness of the reserve, and if so, what were they?

Mr. Makins asked on what basis "other securities," in the item £368,147 were ascertained?

Mr. Mackney wished to know what position they were in respecting the Graysbrook Iron Company?

Mr. Cornelius Walford said, in reply, that the theory which his colleagues and himself had laid down for the government of the company was that

their shareholders should have full and accurate information upon all necessary points, but having laid down that theory, the question arose how far questions could be asked which affected the confidence between their clients and the company. He was present at a meeting of a large finance company recently, and he was astonished to hear the question put at that meeting—questions which the directors would break faith in answering. The first gentleman spoke of the large appropriation to the reserve, but that arose entirely from a feeling of care, for up to this period the corporation had made no loss, if he excepted £280 in compromising one transaction. When he said the company made no loss, he spoke as the report spoke on this point. They commenced business ten months ago, but they had been only six months in active business, and they entered it in a brilliant state of the money market, with a capital ample to meet any emergency that might arise. But changes had taken place in the money market; there had been an almost unparalleled depreciation in some classes of security, and they not being the owners of the securities but taking them collaterally to meet the taking up of the acceptances not in their possession, they were not in a position to go into the market to realise. With one exception, in the case of a sum of £6,000, they were not in a position to realise on the securities, and they must hold a sufficient amount to meet any contingency. As to the £47,000 which one gentleman said was likely to be locked up, he was not aware of any such transaction. They had advanced, in one instance, £50,000, and, with renewals and commission, about £56,000 was due on the transaction; but they were secured by a company and guaranteed by two individuals, one of whom was represented to be worth a quarter of a million of money, and he took it for granted the whole of the money would be forthcoming when the bills became due. With respect to Mr. Stovin's questions, deducting the directors' remuneration and other items, their expenses would not be more than 3½ per cent. on the paid-up capital at the present time; and it would be very much less than that on the paid-up capital they would have from time to time. As to the question of dividend, it was for them to decide. The directors had made a recommendation of 10 per cent., and it was endorsed by the auditors. They had got 12½ per cent. over the average period on the paid-up capital, which was not a very bad case, and they should leave the directors the balance of profit to deal with if an emergency should arise. As to the preliminary expenses, £7,069, the whole would be written off in five instead of ten years. As to the holding of the directors he was glad to say they held 4,000 shares, besides a large amount of shares standing in the names of their families and friends. The amount absorbed by the present dividend was £4,568 for this half-year, and the previous dividend amounted to £2,430, so that £7,000 had been provided for dividend purposes. As to the question of the value of the securities, they were held with such a guarantee that no loss would accrue. They had not been called upon to realise them. As to the Graysbrook Iron Company, he was bound to plead ignorance; he never heard of the company before (Hear, hear.)

The motion for the adoption of the report was then unanimously adopted, and a dividend at the rate of 10 per cent. per annum for the half-year was declared. The retiring auditors, Messrs. Quilter and Morgan were re-elected; and thanks having been voted to the chairman, directors, and Mr. Walford, the proceedings were brought to a close.

IMPERIAL MERCANTILE CREDIT COMPANY.

The first ordinary general meeting of the shareholders of this company was held on the 23rd January, at the London Tavern; Mr. John Chapman in the chair.

The Secretary (Mr. Winterbottom) having read the notice convening the meeting, then read the following report and statement of accounts:—

"From the statement of accounts which the directors have now the pleasure of submitting to the shareholders, comprising the operations of the united companies from the 1st June to the 31st December last, it will be seen that after payment of the current expenses, allowing for rebate of interest on bills and loans not due, and making ample provision for all contingencies, there remains a balance of net profit amounting to £99,217. 9s. The directors recommend this sum to be appropriated as follows:—Dividend (free of income tax) of 10s. per share, £50,000; income tax, £1,250; balance carried forward to next half-year, £47,967. 9s. The accounts will in future be made up half-yearly, viz., to 30th June and 31st December. In accordance with the articles of association the directors appointed C. J. H. Allen, Esq., and John Young, Esq., as auditors, until the first ordinary meeting of proprietors, on whom the selection of auditors will then devolve. Mr. Allen and Mr. Young are eligible for re-election."

Balance-sheet, 31st day of December, 1864.

CAPITAL AND LIABILITIES.

Capital—			
100,000 shares of £50 each, £5 per share paid up	...	...	£500,000 0 0
Liabilities— On bills payable, £692,423. 11s. 4d.; Credits granted by bankers and others, £325,000; Deposits and current accounts, £1,254,276. 4s. 8d.; bills and guarantees, £1,280,288. 10s. 6d.; sundry creditors, £6,204. 8s. 4d.	...	...	3,508,192 14 10
Balance of interest on bills not due	...	...	11,593 13 7
Profit and Loss—			
Balance, being net profit as per statement	...	...	99,217 9 0
			<u>£4,119,003 17 5</u>

ASSETS.

Cash at Bankers', in hand and at call	...	...	£142,320 18 0
Bills receivable	...	...	994,481 2 5
Loans, securities, and current accounts	...	...	2,475,356 1 6
Investments and interest accrued thereon	...	...	506,111 13 0
Office furniture, fittings, &c.	...	...	724 2 6
			<u>£4,119,003 17 5</u>

Profit and Loss Account from the 1st June to the 31st December, 1864.

Dr.			
Current expenses, (including salaries, allowance to managers, directors' remuneration, rent, advertising, law costs), &c.	...	...	£17,243 5 10
Balance, being net profit carried down	...	...	99,217 9 0
			<u>£116,460 14 10</u>

Dividend of 10s. per share on 100,000 shares, £50,000; in-	
come tax on above, £1,250	£51,250 0
Balance carried to profit and loss new account	47,967 9
	<hr/>
	£99,217 9
	<hr/>

Cr.

Gross profits, as per ledger, £128,054. 8s. 5d.; deduct rebate	
on interest on bills not due, at 6 per cent. per annum,	
£11,593. 13s. 7d.	£116,400 14
	<hr/>
	£116,460 14
	<hr/>
Balance, being net profit brought down	£99,217 9
	<hr/>
	£99,217 9
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The Chairman, in moving the adoption of the report, said that the directors met the proprietors with great pleasure upon the present occasion and hoped to do so for many years. This was the first meeting since the amalgamation of the Mercantile and Imperial Financial Association, and what had passed since the amalgamation was completed must, he thought, convince every one present of the wisdom of the policy by which the junction was brought about. It gave them increased strength, as far as regarded capital, which was certainly found of the greatest importance during the crisis, besides which it conferred upon the company the combined energy and talent of two gentlemen as managers whose names were well known, and whose reputation stood as high as that of any gentleman in the City of London. Neither he nor the directors were sorry that they had passed through what was something of an ordeal, because it had taught them lessons which it was very important to remember. A great caution like this was subject from time to time to financial changes, and even caution and prudence was necessary in the first place to secure their position. He was happy to say that during that period they had, to use a nautical expression, rode out the gale most comfortably, and had not the slightest apprehension with reference to the stability of the institution at any moment. Not only that, but when a great deal was said with respect to the position of other companies, they were not in the least degree moved but continued to do, as they had done from the first, a most satisfactory and legitimate business. As to its being profitable, he trusted that a glance at the balance-sheet was all that was required to satisfy them upon that point. (Cheers.) There was an old saying that "good wine needs no bush," and the figures at any rate ought to speak for themselves. In looking at the statement of accounts he must observe on one circumstance which was a matter of pride and gratification to the board, as showing the confidence which the public placed in the undertaking, namely, the very large amount of deposits that had been placed in their hands. (Cheers.) That was alike a tribute to the solidity of the concern and, he might venture to say, to the prudence of those who managed it. He must say that it was a circumstance of which he was extremely proud, and he need not tell the shareholders that if they continued—as he had not the slightest doubt they would—to enjoy the confidence of the public, it would not only indicate the stability of their position, but would act most favourably with

respect to their future profits. (Cheers.) With respect to the statement of their liabilities he might say at once that the board thought it desirable that they should be as explicit, and go as much into detail, as possible; and, therefore, they included every possible contingency, however remote, in order that they might see their exact position. If they had only followed the usual course, their debit account would appear much less. This company, from its peculiar connections, was very much engaged in large financial operations, which were conducted by eminent firms, both in this and various foreign countries throughout Europe. Those firms were of the highest possible order and respectability, and the connections the company had thus formed would materially add to its character and increase its profits. (Hear, hear.) The board proposed now to declare a dividend of 10s. per share, and to carry forward a considerable sum. Had this been the closing meeting of the financial year, they should have submitted to the shareholders the propriety of carrying a great part of the surplus to the rest which it was proposed to establish, but as it was not the end of the financial year they would carry it forward to Midsummer, when he trusted that they would not only be able to declare a good dividend, but to found a substantial rest, which was essential, and would add to the stability of the concern. If they went on doing a safe business, and enlarging their connections, he did not see why, in the course of a few years, they should not, as another company had done, come before the shareholders and say—"Gentlemen, we have now established a sufficiently large reserve fund, and shall be able to devote ourselves more exclusively to the consideration of the immediate interests of the proprietors. Let us rest and be thankful, and do something in the way of capitalising the bonus and adding to the value of the shares." (Cheers.) He could only say in addition, how much they were satisfied and what comfort they had derived from the fact of two such excellent managers being entrusted with the conduct of the business, and whose combined efforts had proved so successful. (Hear, hear.) He assured the meeting that the directors themselves had given their best attention to the interests of the shareholders, and were determined never to enter into any transactions that could reflect the slightest discredit upon them as honourable commercial men, and hoped never to engage in anything which would meet the disapprobation of the shareholders. He now begged to move the adoption of the report. (Cheers.)

Mr. Alderman Dakin seconded the resolution, which was carried unanimously.

The Chairman then announced a dividend of 10s. per share, payable on the 30th inst.

The next business was the election of auditors, the chairman stating that the board, in the exercise of the discretionary powers vested in them, had appointed Mr. Allen, the talented secretary of the Bank of London, and Mr. J. Young, of the eminent firm of Coleman, Turquand, and Young, who had discharged their duties in the most satisfactory manner. The board now placed the matter in the hands of the shareholders, in whose peculiar province the choice of auditors lay.

On the motion of Mr. Bevan, seconded by Mr. Field, Mr. Allen and Mr. Young were re-elected auditors, and their remuneration fixed at 100 guineas each.

The Chairman, in reply to a question from Mr. Field, stated that the bills which the company had in their possession were drawn upon first-

rate merchants and bankers, and were such as would, to use a common expression, make the mouth of a discount-house water. (Laughter.) With respect to their own acceptances, they were only in connection with first-rate foreign merchants and financiers. They had no bills of contractors whatever ; but their bills were all drawn by foreign bankers.

Mr. Barker stated that the acceptances of the company were chiefly on remittances, and by bankers here to houses of equal standing abroad.

The Chairman stated that all these matters had been carefully examined by the auditors, and he hoped the statement he had made did not require confirmation. (Cheers.)

A Shareholder inquired whether the directors contemplated making a call.

The Chairman—We not only never contemplated it, but never dreamt of such a thing.

On the motion of Mr. Jackson, M.P., seconded by a Shareholder, a cordial vote of thanks was given to the chairman and board of directors, for the admirable way in which they had managed the affairs of the company.

The Chairman having returned thanks,

Mr. Field proposed a vote of thanks to the managers, secretary, and staff, which, having been seconded, was carried by acclamation.

Mr. Barker, in responding, observed that it was gratifying to see their exertions recognised and appreciated by the shareholders, and the present compliment would be a stimulus to them to exert themselves still more, and to continue to merit their approbation. (Cheers.)

The proceedings then terminated.

ALLIANCE BANK, LIMITED.

THE ordinary general meeting of proprietors was held on the 24th January, at the London Tavern ; J. N. Daniell, Esq., in the chair.

The excitement occasioned by the large losses this bank has sustained during the past half-year of financial pressure was evidenced by an extraordinarily full attendance of shareholders, the large banqueting room of the tavern being crowded both in the area and the galleries. On the entrance of the chairman and directors some attempts at a hostile demonstration were made from a small section of the shareholders at one corner of the room, which were immediately replied to by hearty cheers from the large majority.

The following report and accounts were then read :—

“The directors beg to submit to the shareholders a statement of the business of the bank for the half-year ending the 31st December last. The gross profits, including £6,580. 14s. 9d. brought forward from the previous half-year, amount to £185,896. 17s. 8d., which, after deducting current expenses, interest on current and deposit accounts, and rebate on bills discounted but not yet due, leaves a net balance of £66,731. 19s. 9d. The numerous and extensive failures of mercantile houses during the last three months of the past year have pressed with special severity on this company, and the directors regret that the losses to be provided for on accounts now in liquidation will absorb the profits for the half-year, and a further sum of £61,737. 11s. 5d., which has been carried from the reserve fund to the profit and loss account. In addition to these losses, the directors

think it their duty to state that there are transactions not yet matured in connection with a heavy account, which may possibly entail a large additional loss. The bank, however, holds securities, which it is hoped may be realised favourably; but whatever loss may arise may be dealt with separately, and written off the reserve fund. Under these circumstances the declaration of a dividend cannot be recommended. It is satisfactory to the directors to be able to state that after a most careful scrutiny by themselves and the auditors they have every reason to believe that the current business of the bank is in a sound condition, and they look forward with confidence to the future prosperity of the institution. Of the 10,000 shares authorised by the extraordinary meeting in August last to be issued at £20 per share premium, 9,766 have been applied for and allotted, and the amount of premium received thereon has, in accordance with the resolutions passed at that meeting, been added to the reserve fund. The directors have to record with regret the death of Mr. De Castro, and the resignation of Mr. G. P. Thompson, who has left England for India; thus causing two vacancies in the direction."

Balance-sheet, 31st December, 1864.

<i>Dr.</i>			
Capital paid up, viz., £25 per share, on 30,000 shares	£750,000,		
less calls in arrear £3,025—£746,975; £10 per share on 9,776, shares 1864 issue, £97,760; less calls in arrear			
£2,175—£95,485	...	...	£842,460 0 0
Amount due to customers on current and deposit accounts, circular notes, &c., £2,331,325. 18s. 7d.; bills payable			
£3,716,750. 6s. 9d.	...	...	6,048,076 5 4
Reserve fund, 30th June, 1864, £84,000; premium on 9,776 shares, 1864 issue, £195,320, less arrears £9,325—£185,995—£269,995; less amount transferred to profit and loss			
account £61,737. 11s. 5d.	...	...	208,257 8 7
Rebate account	...	...	14,056 19 11
			<hr/>
			£7,112,850 13 10

<i>Cr.</i>			
Cash in hand, at Bank of England, and at call	...	...	£524,746 2 11
Investments in Consols, &c.	...	...	50,506 5 0
Bills of exchange, loans to customers, and past-due bills (the loss on which has been provided for)	...	...	6,482,863 13 8
Buildings, furniture, bank fittings, &c., in London, Southwark, Liverpool, Manchester, and Birkenhead	...	...	46,074 8 0
Preliminary expenses	...	...	8,660 4 8
			<hr/>
			£7,112,850 13 10

PROFIT AND LOSS ACCOUNT

<i>Dr.</i>			
Current expenses, including salaries, stationery, directors' remuneration, &c.	...	...	£23,187 18 0
Interest on current and deposit accounts	...	...	81,920 0 0
Rebate on bills discounted not yet due...	...	...	14,056 19 11
Bad debt account	...	...	128,469 11 2
			<hr/>
			£247,634 9 1

<i>Cr.</i>							
Balance, 30th June, 1864	...	...	...	...	...	...	£6,580 14
Gross profits for half-year ending 31st December, 1864	...	...	...	...	...	...	179,316 2 1
Reserve fund	...	...	...	...	...	...	61,737 11
							<u>£247,634 9</u>

RESERVE FUND.

<i>Dr.</i>							
Profit and loss account	...	...	...	...	...	...	£61,787 11
Balance	...	...	...	...	...	...	208,257 8
							<u>£269,995 0</u>

<i>Cr.</i>							
Balance 30th June, 1864	£84,000 0
Premium on shares	185,995 0
							<u>£269,995 0</u>

Balance brought down	<u>£208,257 8</u>
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The Chairman, in moving that the report be adopted, said—Gentlemen, the auspices under which we are assembled here to-day contrast most painfully with those under which we have met you on all previous occasions when the position of the bank has been as satisfactory as it is now the reverse. There can be no doubt that the severe pressure upon financial affairs which marked the latter portion of the past year, and the consequent derangement of all commercial transactions, have resulted in great losses generally, but I regret to say that I hardly know a case in which any banking establishment has had to deplore such heavy losses as we have ourselves. In reviewing and looking over our several accounts and transactions there are many which, with the light we have now, we should say we ought never to have entertained—(hear, hear)—but at the same time there are very many others which have unfortunately fallen through which in ordinary times would have been good and valuable accounts, and which in extraordinary times have fallen through only in consequence of the severe pressure which has been operating. I do not want to take away from any parties the responsibility which properly attaches to them whether directors or others, who have been engaged in the management of the concern. If the management has been wrong in anything, it has, I think, been in the natural eagerness to increase the business of a young company in too great a degree. But we have placed before you the account as naked as possible, and in a form which not only will bear the test of truth, but which, if anything, carries upon them an appearance of loss greater than we hope and believe has been actually incurred. I do not mean to say that our losses have been calculated with absolute certainty but every account upon which there is the slightest chance of loss, has been carefully gone through, and you are here made as perfectly acquainted with the circumstances of the company as we are ourselves, without any reservation whatever on the part of the directors. When, in September

our shares fell so low in consequence of reports that were circulated of our having sustained heavy losses, whereas at that time we had sustained no losses whatever beyond what you knew of at our last meeting, we were obliged to contract our business, the effect of which was, as I believe, to weigh very heavily on many of our customers, and to precipitate failures which, under other circumstances, might have been avoided, and thus possibly our losses may have been increased. It will be observed that we have made an alteration in the mode of drawing out the accounts, and instead of lumping together customers' accounts and bills payable as heretofore, we have divided them, giving separately the items due to customers on deposit and current accounts, circular notes, &c., £2,331,325, and bills payable £3,716,750, making together £6,048,076. The bills payable look a very large amount, but I am happy to say that it is entirely covered, and I may add that these bills are a great source of prosperity to the bank. They are for the most part backed by other banks of large capital, and on no occasion have we lost one farthing by them. (Cheers.) It is true we might, if we pleased, reduce the amount, but if we did so we should reduce our profits in proportion. There is one paragraph in the report to which I would call attention, and which, to those who feel deeply interested in the prosperity of the bank, may occasion some doubt and some fear as to the losses which we may have yet to meet. (Hear, hear.) That paragraph was not framed without considerable difficulty, it being our object not to excite false hopes on the one hand, or false fears on the other. As it appears before you, certainly the fears appear to predominate, but in my opinion the hopes ought to predominate. (Hear, hear.) The paragraph I refer to is that "in addition to these losses the directors think it their duty to state that there are transactions not yet matured in connection with a heavy account, which may possibly entail a large additional loss. The bank, however, holds securities which it is hoped may be realised favourably; but whatever loss may arise will be dealt with separately and written off the reserve fund." Now, it would have been the wish of the directors, if they could have felt that they could have done so properly, to have fixed an amount to these losses as the maximum to which they could reach. (Hear.) But on full consideration of the matter they felt that, in the present state of their information, they might, if they attempted to do so, put down on the one hand a sum far beyond what the realisation would ultimately amount to; or on the other, a sum far below what would ultimately be realised. There are, however, very large securities held against this account, which we have good reason to believe will realise favourably. In the result, perhaps, we may be involved in a loss of £20,000 or of £40,000, or perhaps the loss may be nothing.

A Shareholder.—Would £40,000 be the utmost?

The Chairman.—Really I cannot tell. All I can say is that I should be happy to buy it at that sum. It may be £20,000, it may be £40,000, or it may be £50,000, or it may be nothing. (Some discontent being here exhibited at the vagueness of the reply, the Chairman proceeded)—Mr. Quilter, the accountant, is in the room; he has gone through the account and the securities; perhaps he will give his opinion upon the matter, which will be far more satisfactory than mine. (Cheers.)

Mr. Quilter.—I feel great difficulty in giving anything like an opinion that can be safely relied upon; but after carefully weighing the probabilities as to the realisation of the securities, I am of opinion that under

no circumstances can the loss exceed £50,000 or £60,000. That I regard as the maximum. (Hear.) In my judgment, however, it is quite probable that there will not be the loss of a single penny from the account in question. (Cheers.)

The Chairman continued—I hope that explanation will be considered satisfactory. I just now referred to the evil consequences which ensued to the bank by the unfounded reports which were circulated of losses, and by exaggerated statements of our liabilities and engagements which were circulated during the autumn. Upon this point I repeat, that when the premium upon the shares of the bank fell down almost to nothing, we have experienced no loss at all but that which was known to the shareholders at the previous meeting as resulting from the failure of one party. Then the directors have been accused of making large advances on cotton and in assisting cotton speculation, whereas, from the beginning, we have studiously avoided touching a class of business which we considered in the highest degree speculative, and the result is that we have not lost a single shilling by cotton. (Cheers.) I do not desire to make things appear better than they are, but I do wish to remove false impressions which the rumour so plentifully circulated amongst us may have given rise to. We have sustained some losses no doubt, but still this bank stands from this time in a position that is not unenviable. We are in possession of a large capital. We have a reserve fund, which, after meeting all losses that can possibly come upon us, I believe, will still be over £200,000; and we have a very large number of exceedingly good current accounts, and in short we stand in as good a position in all respects as we did six months ago when our shares were so highly and, as I think, somewhat unduly elevated. (Hear, hear.) Then as to the direction, we have lost a very able director by the death of Mr. De Castro, and another by the departure of Mr. Robinson who has gone to India. The London board is therefore much reduced. It is our wish and intention to increase and re-organise the board; and in doing so, we desire to act in accordance with the wishes of the shareholders. (Hear, hear.) We feel that, however unwittingly, we have involved you under our management with heavy losses, and we are anxious that you yourselves should take any part you may think proper in assisting us to re-organise the board, and making it satisfactory to yourselves. We have not thought it right even to replace the manager who has gone abroad, considering it better to leave the whole thing a *tabula rasa* for you to deal with as you please, and we shall be happy to confer with any persons you may appoint with that view.

Mr. Morris, Liverpool director, seconded the motion.

A Shareholder who addressed the meeting in a very low voice, spoke of some conversation that took place in his presence on the Great Western Railway Company last September, in the course of which it was stated that the Alliance had lost very largely, and in one case to the extent of £160,000, by foreign business, and expressed his wonder that losses which were so notorious should not have been known to the directors.

The Chairman said that in point of fact no losses had at that time arisen.

Mr. Eagle felt dissatisfied at the statement of the chairman, which he said failed to give any explanation of the manner in which those enormous losses had been incurred. He wished to ask what amount of losses had been occasioned by advances upon the shares of the bank? What proportion of its losses had arisen from the London board, and what proportion

from the Liverpool board? (Hear.) Whether any large losses had been incurred by advances on securities not previously examined by the solicitor of the company? It was reported that there had been large advances made in that way, and that considerable losses had resulted. As it was impossible that they could have made a loss of £128,000 on purely mercantile bills, perhaps the chairman would inform the meeting what were the securities by which they had sustained such heavy loss. (Hear.)

The Chairman was glad these questions had been asked, and was very happy to be enabled to give replies which, though they might not be satisfactory—for it was scarcely possible to be satisfied when they had lost money—must, he thought, be deemed sufficient in a business point of view. With regard to the first question—what amount of losses had been occasioned by advances upon shares of the bank—his answer was, none whatever. (Cheers.) Neither had they sustained losses upon securities of the character to which the hon. proprietor had adverted. Their losses had arisen principally upon mercantile bills. They had lost fifty or sixty of their constituents, who had failed during the financial pressure of the latter part of the last half-year, and it was on their accounts that the bulk of the losses had ensued. This was in reference to the London business. He trusted that this explanation would satisfy the shareholders that no irregularity had been committed by the directors in the conduct of the business of the bank. With regard to the question of making advances upon shares, he quite admitted that such transactions were bad; but when shares were offered merely as collateral security, which sometimes it was hardly possible to prevent, he thought it would not be doing justice to the property of the shareholders to refuse them. In this way they were accepted by other banks, and he saw no reason why they should not do the same. Of course, it was always necessary to be certain that the advances were otherwise well covered, and he was happy to say that on advances so made the bank had sustained no loss whatever. (Hear.)

Mr. Morris (Liverpool director) added that as regarded Liverpool there had been no losses upon advances on shares. There had been an exceptional loss, to a heavy amount, upon one single account in Liverpool, arising from misplaced confidence, but for which the Liverpool business would have shown a profit of £18,000, or more than 10 per cent. upon the capital in Liverpool; and he might state further, that up to the 30th June of last year Liverpool had contributed a moiety of the dividend paid to the shareholders and £11,000 to the reserve fund. And withdrawing that £11,000, the Liverpool establishment would have left off this year with its capital perfectly intact, but without paying a dividend. But the bank premises which had cost the company £18,000, the directors had been offered £25,000 for, so that in this item alone they could show a profit of £7,000. (Hear, hear.)

Mr. Conybeare deprecated the hostility which a small section of the shareholders had manifested towards the directors at the commencement of the proceedings, and suggested that the board should examine the list, and select from the proprietary some of the largest holders and the most influential persons to add to the number of the directors, thus giving confidence in the institution to the public out of doors. It must be borne in mind that this was not the first bank that had incurred heavy losses arising from the competition for business during a very critical period, and it was his opinion that this check to their progress while they were yet young would ultimately conduce to their advantage. (Hear, hear.)

He did not agree with a previous speaker, that it was at all extraordinary that so large a loss should have occurred from mercantile bills. He thought, however, that the board were to blame in not stating in the report a maximum sum as the loss which might in the worst case result from the heavy account alluded to in the paragraph quoted by the chairman, nor could he help thinking that the directors had been guilty of considerable imprudence in their dealings with the company through whom that loss had arisen. For some time past the paper of that company had been looked upon with suspicion, and it would have been better if the Alliance had refused to have anything to do with it. At all events he hoped that they had made a large commission on the business. There were all the elements of sound and profitable business, and he believed notwithstanding its present unfortunate position, it would ten years hence be one of the largest banks in the country that had consolidated its business upon nothing.

Mr. F. Clifford thought that there were two points which especially required explanation. The first was as to the issue of the new shares, and the circumstances under which that issue was made. (Cheers.) He held that the issue of those shares at the time was a cruel injustice to the shareholders. (Hear, hear.) It might be said that up to that period they had sustained no losses, and that the premium paid upon the new shares was perfectly fair; but that, if true, was the greatest possible condemnation that could be passed upon the directors. (Cheers.) Because if the losses had not then actually occurred, they must have been accruing, and the board must have been strangely negligent of their duty not to have known of it. The shares were, in fact, issued to the old shareholders at a £20 premium, when it was quite clear it ought to have been known to the directors, if it was not, that they were not worth half that amount. Another point requiring explanation had reference to the absence of the manager. Now he (Mr. Clifford) by no means wished to attack an absent man, but he was quite sure that even the friends of Mr. Thompson must regret that he was not present to face the meeting and explain the circumstances under which these heavy losses had arisen under his management. (Cheers.) He wished to ask whether it was true, as had been alleged, that Mr. Thompson had gone out to India as the servant of another bank, with the concurrence, support, and even at the instance of the chairman of the Alliance Bank?

The Chairman replied that the losses the bank had sustained arose subsequently to the issue of the new shares, and from the commercial crisis and the difficulties which weighed upon commercial affairs generally during the past autumn. At the time the shares were issued the bank had sustained no loss, and was in all respects sound. Whether it was politic to put so high a premium upon those shares as £20 was another question which it was for the shareholders to judge of at the time. But whether or not that premium was now the property of the shareholders, and so much remained of it was part of the assets of the bank. When the proposal was made to the shareholders to rate them at £20 premium the original shares stood at double that premium, and it was a question for the shareholders themselves to determine whether they would take them or not. Undoubtedly Mr. Thompson was one of the managers during the unfortunate period embraced in the report, and although the chief responsibility rested on him, the directors were also in their degree liable. It was not, however, at his (the chairman's) instance that Mr. Thompson went

India. It was true he was the chairman of the bank for which that gentleman had gone out; but the first he knew of the intention to appoint him was from the manager of that bank and Mr. Thompson himself, and seeing that he was peculiarly well qualified for the class of business he would have to manage in India, and that if he remained he was not likely, after what had occurred, to be long retained in his position at the Alliance, he did not think it right to oppose the appointment. The great fault of Mr. Thompson was too great an eagerness to do business, but to that temptation he would not be exposed in his new position.

A Shareholder—But why did he not remain to attend the present meeting? (Hear, hear.)

The Chairman had certainly not wished him to go away, although he did not see any great advantage that could have resulted from his being present; but the fact was, that had he not gone out when he did, he would in all probability have lost the appointment.

Mr. Glanville drew attention to an error of £200 in the accounts, which, he contended, vitiated the entire statement.

A Director explained that the error was in the printing; the additions were all correct.

A Shareholder urged that where there was one error there might be many, and recommended that the accounts should be referred back to the board for revision. He further called for details of the various items, and especially for particulars of the large item of £3,400,000 for bills of exchange, loans to customers, and past-due bills. In the colony which he came from, in order to prevent the gigantic swindling that had been there practised in connection with joint-stock companies, minute details of such items were required, and he thought they should be here. He wanted to know what amount of money had been advanced to shareholders, upon what securities, and what proportions of such advances had been recovered. He had been told that very large advances had been made to Liverpool shareholders to aid them in carrying on cotton speculations. Was that the case?

Mr. Morris—Not to the extent of one shilling. (Cheers.)

Mr. Keston (Director)—In Liverpool we are in the midst of gigantic cotton speculations, but it has been our great object to steer clear of them altogether, and we have been successful in doing so. (Cheers.) We have not made any advances on shares in Liverpool.

A Liverpool Shareholder said that he knew of his own knowledge that the Liverpool business of the bank had been properly conducted.

The Shareholder who had recommended the sending back of the balance-sheet for revision tendered an amendment to that effect, and proposing that the meeting should be adjourned to receive a revised statement of accounts; but the amendment was not seconded.

Mr. Patterson said that every fair question ought to be fully and fairly answered by the board; but unfair questions did not deserve to be answered. (Hear, hear.) They had been asked the amount of the bills outstanding. As stated in the report, it was £3,716,000, the whole of which was fully covered. (Hear, hear.) The Alliance were bankers for a number of foreign institutions, which had the power to draw upon the bank, but only against cover which the directors believed to be satisfactory. Thus, if the Bank of Hindustan, for instance, drew to the extent of £200,000 upon the Alliance, it must send at the same time a draft for £200,000 upon the Union, the London Joint Stock, or some other well-

known bank here, before their bills were accepted. It was only when they had these drafts in hand that the acceptance of the bank was given and it was but right to add that upon such bills they had never lost one farthing, or were ever likely to lose anything, while upon the other hand they realised a very good commission upon the amount of the business done. (Hear, hear.) Some of these foreign banks had an open credit which they were bound to put right twice a year; and should the Bank of Mauritius, for instance, overdraw for a certain time, and for an amount for which they were perfectly good, they were bound to send cover of some kind which should be held satisfactory, every six months. If, therefore, there was any part of the business of the bank which was safe, it was this. The directors were quite ready to go through the whole of the affairs of the bank, and to explain, not only that which was good, but that which was bad. (Hear, hear.) When they last met, it was perfectly well known that a heavy loss had been incurred through one particular customer, and when he told them that the Frankenheim loss, and the loss in Liverpool which had been alluded to, amounted to one-third of the whole of the losses which they had suffered, they would scarcely be inclined to say that the directors had been so very negligent, or had done so very badly. (Hear, hear.) He was quite prepared to go into the matter, and explain how the losses had arisen. (Hear, hear.) They had three descriptions of business—viz., discounting, advances on loans, and credits. It was in the first branch that almost the whole of their losses occurred, and yet when they were told the rule upon which that kind of business was conducted, they would, he thought, admit that it was sound. That rule was, that no bill should be discounted that had not upon it two good names. It was clear that in this department the directors must be very much under the guidance of the manager. When a bill was brought up to the directors the manager was questioned as to the parties whose names appeared upon it, and he explained according to the results of the inquiries he had been enabled to make. If the explanation was considered sufficient the bill was passed, if not it was refused. He mentioned this to show the difficulty under which a young bank seeking business must necessarily labour. Such a bank was generally sought out by young customers, who were not always so strong as older houses; but it was to be remembered that it was of young customers that the oldest and most profitable banking establishments had made up their business. (Hear.) The Barings and the Rothschilds had originally made themselves in that way. (Hear.) The total of the losses from the sources he had mentioned might amount to £80,000; but in estimating these losses, the directors, after calculating them as accurately and as liberally as possible, had, in order to be far above rather than below the mark, put on 20 per cent. (Hear, hear.) Some might not be so sanguine perhaps as he was, but he entertained a very confident hope that the most profitable item in the next six months would be this bad debts account, and that a very large return would be obtained from it. (Cheers.) A word as to the vague account referred to in the report, and which had been already commented upon. Against that account the bank held securities to a considerable amount. At first the directors had made up their minds to write down the probable loss from that account at £50,000. The total amount of the debt was £160,000, but they held securities over that sum to a very large extent. (Cheers.) (A Shareholder—"To what extent?") They held securities of one kind or another against that debt to the amount of £450,000. (Cheers.) Of these,

£103,000, they had good reason to believe, after making every inquiry, would be paid in full. (Hear, hear.) In their estimate, however, the directors had taken the realisation at only 10s. in the pound. Another batch of securities which they were informed by some competent persons would realise 12s. 6d. in the pound, and by others 20s. in the pound, they had also taken at 10s. This would bring the amount up to £120,000, and in addition to these they had a mortgage on fifty acres of property in the immediate neighbourhood of London, worth at least £12,000. Taking, therefore, the character of a public company or railway company as nothing, they had in the securities in their hands assets which might be expected to produce upwards of £130,000. (Hear, hear.) Then as to the Liverpool debt: against that they held a large quantity of sugar, put down at 18s. per cwt., a price at which no one would like to import and sell. He hoped he had satisfied them that they had put down the probable ultimate loss by bad debts at the highest figure, and they had done so in order that they might not have to come again to the shareholders to write off a further sum; but that, on the contrary, they might have something worth accepting to hand over to them from this account next half-year. There were some persons in the room, he feared, whose object was to depreciate the property—persons probably who had sold a large number of shares which they had not in their possession, and whose interest, therefore, it was to keep down the price in the market. His object on the contrary was to raise their property, and the best mode of doing this was to place the facts clearly before the meeting and the public. He saw in the accounts some things which to him appeared full of hope. The gross business of the Alliance Bank would bear comparison with that of any bank in the city of London, and what was the general character of that business might be gathered from the fact that but for these exceptional losses the operations of the last half-year would have shown a net profit at the rate of from 18 to 20 per cent. A friend of his had said that it would be a cheap business if it could be purchased for £200,000, and it was very questionable whether such a business could be got together in London for £200,000. That would be equal to £5 a share. A business that yielded a net profit of £60,000 in the half-year was not to be despised. (Hear, hear.) The duty of the shareholders in such a crisis as the present was to assist the directors, to co-operate with them in giving confidence to the public if they thought them right, or if they thought they had done wrong, then they should remove them. They had a business which was the envy of other banks in London, and it would be their own fault if they did not profit by it. With regard to the premium on the new shares, he considered that the best transaction the shareholders had ever made. (Oh, oh.) If they had not paid the £20 a share, and so established an ample reserve fund to meet losses, he believed their shares, instead of standing at £5 premium, as they now did, would have fallen to £9 or £10 discount. Although they had paid a premium of £20 a share, they had the property in their own hands. They had passed through the storm, and they were enabled to show deposits and current accounts still to the extent of £2,300,000. (Hear, hear.) Did they suppose they would have had anything like that amount of business now if they had not had a large capital and an ample reserve to fall back upon? What would have been their position if the foreign banks would no longer have drawn upon them? It was the amount paid as premiums upon the new shares which

had practically secured to them their present business. The reserve fund was put down at £200,000, but adding arrears due on the new shares and which arrears were charged 10 per cent. interest, and some other matters, it might be taken at £220,000. That was equal to £220 a share; so that taking all things into account, if they were to wind up to-morrow, their shares would be worth £30 each. The loan account which amounted to between £300,000 and £400,000, was covered by securities the most ample, leaving a large margin without the probability of loss, and bringing in a revenue more than the discount account. If they could get plenty of that kind of business it was far better than discounting small bills, which in point of fact was a new class of business which had sprung up of late years, and which the old bankers formerly refused to entertain. As to the credits, he had explained that they yielded a good commission to the bank, and if properly managed they could not possibly result in loss. He held that there was in the bank still a most valuable property, which could not but be highly remunerative if prudently managed. The directors were anxious to take the opinion of the shareholders as to the future organisation of the board, being willing to retire or stay by the ship, as might be decided. (Hear.)

Mr. Heiron expressed his satisfaction with the explanation given by Mr. Patterson. It was the duty of the shareholders to support the board (Hear, hear.) He attributed the opposition to a few large bear shareholders.

Mr. Neish could not see any advantage in adjourning the meeting merely because a clerical error appeared in the accounts, the additions being correct. He condemned a proposition that had been mooted out of doors that a committee of investigation should be appointed, as that would drive away their customers; but he thought a committee of four or five shareholders should be appointed to confer with the board, with a view of taking steps for completing and strengthening the direction, and assisting in establishing a strong and efficient management.

Mr. A. Walls thought such a course would be unnecessary if the directors would themselves select four or five shareholders to co-operate with them in order to reorganise the management.

Mr. King urged the importance of being united in whatever course they decided upon. He thought nothing more was necessary than to pass the resolutions submitted by the board, and if they thus showed their confidence in the directors, he believed that in five years hence they would be stronger and more prosperous than if the present difficulties had never occurred.

Mr. Way spoke in a similar strain, but was of opinion that in filling up the number of the board, men should be chosen who had time and leisure to attend to the duties of the direction, and not such as were engaged in so many concerns that it was impossible they could attend properly to the duties of either. He would support a vote of confidence in the board, and added that, from what he had seen of the late manager, Mr. Thompson, he believed him to be a very able man.

After one or two other shareholders had addressed the meeting, the motion adopting the report was put and carried unanimously, and amid much cheering.

Mr. Conybeare moved a cordial vote of thanks to the chairman and directors, mentioning specially Mr. Patterson, whose lucid and full explanation

tion was most satisfactory. He hoped that this was the only time when the board would have to report such an unfortunate state of affairs as they had now laid before them. (Hear, hear.)

The meeting then separated.

WARRANT FINANCE COMPANY.

THE first half-yearly general meeting of this company was held at the London Tavern, on the 24th of January; Mr. De Pass in the chair.

The following report was read:—

“The directors have the pleasure to submit to the shareholders their report on the business of the company for the first half-year of its operations. After providing for every charge on the business up to the 31st ultimo, there remains a balance of profit of £13,773. 6s. 11d., out of which the directors recommend the payment of a dividend of 7s. 6d. per share, equal to £7. 10s. per cent. per annum, free of income tax. This will leave £6,085. 16s. 11d. to be carried forward. It has been the first object of the directors to maintain a strong financial position during a time of great mercantile depression, by undertaking none but the soundest business, and steadfastly avoiding commitments for lengthened periods. Although this policy has comparatively restricted the business of the company, it has resulted in almost entire immunity from loss, on transactions amounting in the aggregate to £901,870. In the exercise of the power conferred upon them by the articles of association, the directors appointed Messrs. Quilter, Ball & Co. to audit the accounts now presented; and as the appointment of auditors for the ensuing year rests with the shareholders, Messrs. Quilter, Ball & Co. offer themselves for re-election.

“Balance-sheet, 31st December, 1864.—Dr.: To capital subscribed, £1,000,000; called up, £200,000, viz.:—£1 per share, payable on 21st March, 1864, £20,000; £2 per share, payable on 4th April, 1864, £40,000; £2 per share payable on 25th April, 1864, £40,000; £5 per share, payable on 1st September, 1864, £100,000; to bills payable, £334,190; to sundry creditors, £3,173. 14s. 3d.; to profit and loss, balance at credit of that account, £13,773. 6s. 11d.; total, £551,137. 1s. 2d. Cr.:—By cash at company's bankers, on deposit and current accounts, £232,160. 13s. 7d.; by bills receivable on hand, £2,571. 18s.; by customers' accounts for advances against produce, warrants, shares, and other securities, £311,321. 12s. 1d.; by preliminary expenses, £4,860. 16s. 6d.; by office furniture, stamps, &c., £222. 1s.; total, £551,137. 1s. 2d.

“Profit and loss account, from 13th May to 31st December, 1864. Dr.:—To expenses of the establishment, directors' remuneration, and allowance for bad debts, £4,737. 12s. 5d.; to balance carried down, £13,773. 6s. 11d.; total, £18,510. 19s. 4d. To dividend, at the rate of £7. 10s. per cent. per annum on paid-up capital (being 7s. 6d. per share), £7,500.; to income tax on that amount, £187. 10s.; to balance carried to profit and loss new account, £6,085. 16s. 11d.; total, £13,773. 6s. 11d. Cr.:—by interest and commission, £18,454. 18s. 4d.; by transfer fees, £56. 1s.; total, £18,510. 19s. 4d. By balance brought down, £13,773. 6s. 11d.”

The Chairman, in moving the adoption of the report, said the character of the business transacted since the formation of the company, extending over a period of 7½ months, was such as to give the directors every confidence, and he ventured to hope that the result was as satisfactory to the

shareholders as it was to the board. The accounts set forth the precise position of their affairs, and as the assets of the company were mainly composed of cash and securities there need be no apprehension of depreciation. It might be asked why they had not made investments in accordance with the articles of association. They did not do so because they thought it more prudent in a young financial company to keep their cash well in hand, so as to be able to meet any pressure of the moment without incurring the risk of loss or gain arising from fluctuations in market value. The preliminary expenses might seem larger than was at first anticipated, but it should be recollected that the original intention was to carry on operations in London, Liverpool, and Manchester, and that a heavy outlay was incurred on this account, in advertisements, and in the employment of brokers and solicitors. Although their operations were ultimately confined to the metropolis, it was not to be supposed that the money so expended was entirely lost, for they had many applications from provincial towns arising solely from the fact that the business and objects of the company had been well circulated in those towns. The amount of gross profit, £18,454, earned entirely from interest and commission, afforded the directors the pleasure of stating that they believed it to be equal to the expectations of the most sanguine. At all events, if it was borne in mind that the last four or five months had been a period of unexampled depression in the mercantile community, it would be seen that a net result of £13,770 was not a bad profit to have to account for without incurring, comparatively speaking, any great risk. (Hear, hear.) The company was established for the purpose mainly of affording advances on produce, dock warrants, and securities of that description, and considering the enormous magnitude of the trade of this country, he ventured to say that no better field could be presented for operations of that kind than that which the name of this company indicated. But circumstances somewhat militated against their doing the extent of business which they contemplated in this department. They were scarcely well started in harness before the values of the leading articles of produce were seen to undergo not only a fluctuation, but a fluctuation of a downward character. This made the directors cautious to make advances on produce unless they were covered by a large margin. (Hear, hear.) On this account the business in this department was more restricted than they had reason to expect, but the result was so far satisfactory, that they had been saved the anxiety and danger which might have been incurred by having a very large amount of obligations outstanding against produce valued considerably higher than their experience now told them it ought to stand at. That period had passed away, and there was now a more even and regular price for the staple articles of commerce. They could now, therefore, meet their customers on more reasonable terms; that was to say, they need not require so large a margin, whilst the security to the company would be greater than when the margin was larger. From the other branch of the business—the advances against stocks and shares—a more satisfactory result had been obtained, and the profits acquired were much larger than had been contemplated. In both branches the total amount of business transacted was over £900,000. The total amount of the company's operations in advances to customers to the end of the year was about £311,000. Thus it would be at once seen that two-thirds of the whole amount of business had run clearly off, and that £600,000 of transactions had been settled and paid for by their customers. That was a very satisfactory state of things. It

was but justice to the officers of the company to state that the success of the company was very much owing to their zeal, industry, and ability, and there was no business which required closer application and more knowledge of details than that in which they were engaged. The accounts had been audited by Messrs. Quilter, Ball, and Co., and he was happy to say they met with the entire approval of that eminent firm. (Hear.)

Mr. McAndrew seconded the motion.

Mr. Apps asked what were the "other securities" mentioned in the accounts?

The Chairman said they consisted of bonds and other securities which could not properly be classed under the head of warrants or shares, but which were negotiable securities.

A Proprietor asked whether the chairman did not consider the finance branch of business more profitable than that which consisted in advances on warrants.

The Chairman considered that both branches were finance business. He had already explained why the warrant business was of so limited a character, but when the cause he had mentioned was removed there was every reason to hope for an increase of business in that direction. The directors would not lose sight of any opportunity to employ the funds and credit of the company for the advantage of the shareholders. The directors had to exercise a considerable amount of discretion with respect to advances upon produce where the fluctuations of price had been so great. Sugar, for instance, had fallen from 54s. to 36s. They made advances on all negotiable securities, and then only where a sufficient margin was obtained.

The motion was then agreed to, and a dividend of 7s. 6d. per share, free of income-tax, payable on and after the 25th inst., was declared.

On the motion of Mr. Roach, seconded, by Mr. King, Messrs. Quilter, Ball, and Co. were appointed auditors, with a remuneration of £105.

Mr. King moved a vote of thanks to the directors and officers of the company, and expressed his satisfaction at the progress of the company, which was slow but sure. The dividend was satisfactory, and it might have been made larger if the directors were anxious for a showy prosperity. (Hear, hear.)

Mr. Airey seconded the motion, which was adopted.

The Chairman returned thanks, and the proceedings terminated.

NATIONAL BANK OF LIVERPOOL, LIMITED.

An ordinary general meeting of proprietors was held on the 24th January, at the bank, Liverpool; Mr. R. Dirom, deputy chairman, presiding.

The Chairman, before calling upon the manager to report, expressed the regret of the directors that their excellent chairman was unable to preside over the meeting, being detained at home by indisposition. The regret felt by the directors would, no doubt, be shared by the meeting.

Mr. Hyde (general manager) then read the following report:—

"The directors of the National Bank of Liverpool, Limited, have much pleasure in presenting to the proprietors their third report on the business of the company, and the balance-sheet to the 31st December, 1864. During the past half-year, which has been marked by many commercial disasters,

the aim of the directors has been to transact a safe rather than an extensive business; and they are happy to state that they have placed a sum of £12,671. 10s. 6d. to the credit of profit and loss, after writing off all bad debts and amply providing for doubtful debts. To this must be added £5,514. 5s. 4d. carried forward from last half-year, leaving £18,185. 15s. 10d. for distribution, which the directors propose should be applied as follows:—

Dividend of 10s. per share on 20,000 shares, £10 paid	...	£10,000	0
Dividend of 1s. per share on 7,506 shares £1 paid	...	375	6
Reserve fund, increasing it to £97,530	...	5,000	0
Profit and loss next account	...	2,810	9
		£18,185	15

“The dividend herein proposed is at the rate of £10 per cent. per annum (free of income-tax), and as the directors have been able to provide for this, and at the same time to add £5,000 to the reserve fund, and carry forward £2,810. 9s. 10d., they consider they have made as much progress as could have been expected during the past half-year. The assets and liabilities of the bank, and the profit and loss account to the 31st December are as follows:—

ASSETS.			
Cash in hand and at bankers'	...	£124,255	0
Due to the bank on bills discounted, loans to customers &c.	...	1,264,405	1
Bank premises	...	17,757	4
Preliminary expenses	...	1,800	0
		£1,408,217	6

LIABILITIES.			
Capital paid up £211,430; capital paid in anticipation of future calls at 4 per cent. interest, £8,108	...	£219,538	0
Reserve fund	...	92,590	0
Due by the bank on deposit and current accounts, bills on London, &c.	...	1,072,257	10
Rebate	...	5,706	0
Profit and loss	...	18,185	15
		£1,408,217	6

PROFIT AND LOSS ACCOUNT.			
Balance from last half-year	...	£5,514	5
Nett profit for half-year ending December 31, 1864, after writing off bad debts and providing for doubtful debts, £18,677. 10s. 6d.; less rebate at 6 per cent. on bills current £5,706; proportion of preliminary expenses £300—£6,006	...	12,671	10
		£18,185	15

“In accordance with the resolutions of two extraordinary meetings, held respectively on 17th August and 5th September last, 10,000 new shares

were offered to the proprietors at £5 premium; and though between the dates of the meeting and the time fixed for taking up these shares, serious pressure occurred in the money market, 7,506 out of the 10,000 were accepted by the proprietors to whom they were offered, leaving 2,494 on hand, which other shareholders offered to take at the premium of £5 per share, but which offers the directors declined. The premium on the 7,506 new shares, say £37,530, has been carried direct to the reserve fund, in accordance with the resolution of the last half-yearly meeting. The directors now offer to the proprietors the remaining 2,494 new shares, at a premium of £7 per share, in the proportion of one new to ten existing shares, provided the sum of £12, being £5 call and £7 premium, be paid here, or to the National Bank, London, or its branches, on or before the 4th of February next. These shares will hereafter rank the same as the 7,506 new shares, and be liable to the call of £5 which will be made on the whole 10,000 shares, payable about 10th April next. The portion of the new premises not occupied by the bank has been let on satisfactory terms. The directors have re-appointed Mr. Harwood W. Banner, of Liverpool, and Mr. James Costello, of Dublin, as auditors for the present year, which will require the confirmation of the proprietors. The directors who retire by rotation are Joseph Hubback, Robert Higgin, and J. N. McKenna, Esquires, who, being eligible, offer themselves for re-election."

The Chairman, in moving the adoption of the report, said that the balance, as the proprietors would observe, had very much increased; indeed, it more than doubled that of this time last year; and that they had been able to give the shareholders 9 per cent. interest, and to add £10,000 out of the profits to the reserve fund, although the past half year had not been favourable to banking operations. He had observed that in the reports of some of the banks, the amount of which they were under acceptance, was given. This was not given in their report, but he might state that the amount was £23,800. He begged to propose that the report be received and adopted.

Mr. S. R. Graves.—Gentlemen, in seconding the adoption of the report, I have merely one point which perhaps has escaped the chairman's notice. It appears to me desirable that some explanation should be given to you as to why £7 a share has been fixed upon the 2,400 and odd shares in the hands of the directors to dispose of amongst the shareholders of the bank. I may mention that when these shares were returned—for they were not taken up—the market value scarcely came up to the point of £5; but some large shareholders, who had confidence in the bank, made an offer to take the whole of the shares off our hands for the sum of £5 per share. That at the time was a tempting offer—it came amidst a considerable amount of depression—but the directors considered that it was more advisable to retain them, and dispose of them at the proper time amongst the shareholders generally, and not to distribute them amongst any small section of the proprietors. The difficulty we had to contend with in fixing the value of them arose partly from the impossibility of supplying the smaller shareholders with a *pro rata* proportion of these shares. It is proposed that one in ten should be the proportion, and it follows that anyone holding under ten shares will not participate in the advantages which arise from getting the shares at this price. Therefore, as a matter of fairness to the smaller shareholders, it was not considered advisable to offer these shares at the price at which they were previously offered. Then, again,

it is only fair that those shareholders who hold ten and over, and take responsibility of holding them at the price of £7, should receive any vantage arising out of that position. But the smaller shareholders will participate in the advantages which arise from the reserve fund in the same way as any other shareholders of the bank. I may also, perhaps mention that it is the intention of the board, if it should be your pleasure to pass the report, to carry £5 premium of the £7 to the credit of the reserve fund, and to deal specially with the £2, which I shall call "extra premium" for the moment, in paying off preliminary expenses, or in some other way which in the discretion of the directors will best promote the interests of the bank. (Applause.)

The Chairman then put the resolution, which was adopted unanimously.

The Chairman.—I beg now to propose that Messrs. Hubback, Higginson, and M'Kenna, the three directors who retire by rotation, in accordance with the articles of association, be re-elected.

Mr. N. J. Lalor said he had very great pleasure in seconding the resolution. He thought the proprietors would agree with him that they had a source of great gratification in the report and statement of accounts, they had not only been able to declare a very substantial dividend, but also to carry a still more substantial sum to the credit of the reserve fund. He thought if there was any item in the account which pleased him more than another it was that of adding a sum to the reserve fund; because although the financial crisis had passed away, he would be a rash man indeed who would say that the financial horizon was unclouded. The crisis had passed away and they had escaped; and it had done some good, because it had cleared the commercial horizon of a great many of the bubble companies, and a great many other matters which weighed heavily on the Money market. He was sure the proprietors generally would agree with him in saying that the statement of accounts was satisfactory, and that the thanks of the shareholders were due to the directors for the way in which they had conducted the affairs of the company during the past year, aided as they had been by their very able managers.

The chairman then moved, and Mr. J. P. Corcoran seconded the appointment of Mr. Harmood W. Banner, of Liverpool, and Mr. James Costello, of Dublin, as auditors.

The motion was carried unanimously.

Mr. Harmood Banner said that any remarks that he might have had to make as to the affairs of the company had been anticipated by the previous speakers, and he would therefore content himself by moving that the thanks of this meeting be given to the chairman and directors for their able administration of the affairs of the bank.

The motion having been seconded, was carried by acclamation.

On the motion of Mr. P. Hunter, a vote of thanks was unanimously passed to the manager, sub-manager, and other officers of the bank for their efficient services during the past year.

Mr. Hyde briefly responded.

A vote of thanks to the chairman, on the motion of Mr. Henry Harrison, brought the proceedings to a close.

CONSOLIDATED BANK (LIMITED).

The half-yearly general meeting of the shareholders in this bank was held on the 24th January at the London Tavern, Bishopsgate Street; Mr. T. A. Hankey in the chair.

The following report was read by the manager :—

"The directors submit the statement of accounts and balance-sheet of the bank for the half-year ending 31st December, 1864. During that period the capital of the company has been slightly increased by the sale of 593 shares, to make the total issue 150,000 shares, representing £600,000 paid-up. The net profits of the bank during the half-year (after deducting current expenses, rebate of interest on bills not due, interest accrued to customers, income-tax, and directors' remuneration, and making ample provision for bad and doubtful debts) amounted to £62,351 8s. 9d.; the balance left unappropriated on the 30th of June was £6,976. 6s. 10d.; the premiums on shares sold, £4,158. 17s.; making a total of £73,486. 12s. 7d.; from which it is proposed to carry to reserved surplus fund, £15,000; and premium on shares, £4,158. 17s.; to declare a dividend for the half-year at the rate of 10 per cent. per annum, and a bonus of 3s. per share (being an additional 7½ per cent. per annum) free of income-tax, £52,500; to carry forward to next account, £1,827. 15s. 7d.; total £73,486. 12s. 7d.; the reserved surplus fund, which stood on June 30 at £38,500, will, by the addition of six months' interest, £962. 10s., and the appropriations now recommended, £19,158. 17s., be increased to £58,621. 7s. The meeting will be asked to confirm the election by the board of Mr. William Smith as a director of the bank, to supply the vacancy occasioned by the resignation of Mr. Benjamin Wilson in the month of August last. Messrs. Matthew Curtis, Thomas Fairbairn, Edward Ryley Langworthy, Ivo Mackie, John Pender, and James Aspinall Turner, are the directors who retire by rotation; being eligible, they offer themselves for re-election. According to the provisions of the deed of settlement, the auditors offer themselves for re-election by the shareholders at this meeting.

"Balance-sheet.—December 31, 1864.—Liabilities.—Dr.: To capital paid up, viz., 150,000 shares at £4 each, £600,000; to amount due by the bank upon current, deposit, and other accounts, £3,411,206. 2s. 8d.; to acceptances, £658,867. 0s. 9d.; to balance of profit and loss account, brought forward from June 30, 1864, £6,976. 6s. 10d.; to reserve fund, £38,500.; to interest added, £962. 10s.; to premium on shares, £4,158. 17s.—£43,621. 7s.; to balance, being gross profits for the half-year ending December 31, 1864, after payment of interest to customers, and making ample provision for bad and doubtful debts, £99,315. 6s. 4d.; total, £4,819,986. 3s. 7d. Assets.—Cr.: By investment in government stocks, viz., New Three per Cents. and Three per Cents. Reduced, £117,399. 0s. 4d.; by cash in bank, at the Bank of England, and at call, £935,311. 4s. 9d.; by bills discounted, loans, and other securities, £3,748,929. 13s.; by bank premises at Norwich, £1,141. 0s. 2d.; by current expenses in London, Manchester, and Norwich, directors' remuneration, income tax, &c., £17,205. 5s. 4d.; total, £4,819,986. 3s. 7d.

"Profit and Loss Account.—Dr.: To current expenses, rent, taxes, &c., in London, Manchester, and Norwich, directors' remuneration, income tax, &c., £17,205. 5s. 4d.; to rebate of interest on bills discounted, not yet due, £19,758. 12s. 3d.; to proposed dividend for half-year, at 10 per

cent. per annum, and bonus of 3s. per share on 150,000 shares, £52,500 to reserve fund, £15,000; to balance carried forward to next account £1,827. 15s. 7d.; total, £106,291. 13s. 2d. Cr.: By balance of gross profits, brought down, £99,315. 6s. 4d.; by balance brought forward from June 30, 1864, £6,976. 6s. 10d.; total, £106,291. 13s. 2d."

The Chairman said the report which the shareholders had just heard read contained so clear and explicit a statement of the affairs of the bank that there remained but little for him, as the chairman of the day, to do beyond moving that the report be adopted, printed, and circulated amongst the proprietors. The shareholders were aware of the unusual and trying state of the commercial world for many months past. Numerous failures had necessarily entailed losses on nearly all banking companies, and this bank could not pretend to have entirely escaped unscathed; but, acting on the principle on which their business was conducted, of maintaining their financial position on a sound and secure basis, the directors had written off every possible bad debt, and had made ample allowance for any claim which could hereafter arise. Notwithstanding this, after all that had been done, the directors had the gratification of recommending to the shareholders a dividend and bonus, taken together, at the rate of 17½ per cent. per annum, free of income tax, on the paid-up capital of the bank, and seeing that 3 per cent. had been added to the reserve fund, it would make the amount to the good nearly 24 per cent. per annum for the past year. The directors thought this result was highly satisfactory, and he hoped the shareholders would be of the same opinion. (Hear, hear, and applause.) He was not aware that there was any other point of interest to which he need refer. He had only to observe that the interests of the bank would be greatly promoted if the shareholders would exert their influence among their connections to bring new accounts to the bank. (Hear.) One of the encouraging features of joint-stock banks was that they opened channels for a large proprietary, who were naturally led to enhance the interests of the bank in which they were associated. (Hear.) He trusted that the day would come when the Consolidated Bank would emulate her elder sister, the London and Westminster Bank, and show deposits equal to her magnificent neighbour in Lothbury; but her position in respect to depositors was the result of thirty years' existence, and the shareholders in the Consolidated Bank must put forward increased energy to arrive at a similar position. He had not risen for the purpose of making a speech, and as he knew of no topic requiring further notice on his part, he should be happy to reply to any question which might be asked, and to give all the information in his power. He begged to conclude by moving that the report now read be received and adopted, and that the same be printed and circulated amongst the proprietors. (Hear.)

Mr. James A. Turner, M.P., seconded the motion. He had heard with much satisfaction the lucid statement of the chairman as to the state of the affairs of the bank; but he, as representing one portion of the bank which was not settled in London, of which those whom he addressed knew more, and he less, begged to state, as the vice-president of this bank, and presiding over the Consolidated Bank at Manchester, that there was no reason whatever for the shareholders to look with alarm at the state of affairs in Lancashire from the cotton famine of the two past years. (Hear.) This bank was progressing in Manchester as well as any bank in London, they were increasing their accounts, and had steered through all difficulties, showing as the result of their transactions a surplus with

a small loss only incurred. Everything was going on most satisfactorily. He begged to second the motion.

The resolution being put was carried unanimously.

The Chairman then moved the confirmation of the election by the board of Mr. W. Smith as director in the room of Mr. Wilson, who resigned in August last.

Mr. Conybeare, in seconding the motion, spoke of the excellent business qualifications of Mr. Smith to fill the position. The chairman had stated that they hoped one day to rival the London and Westminster Bank, he hoped they would do more. The Consolidated Bank was one of the first which adopted the principle of limited liability, and he considered that the general adoption of that principle would tend more than anything else to fructify and fertilise the large floating capital of the country. The directors of this bank had exercised the utmost caution and prudence. The institution was not a new one, but as its name implied, essentially a consolidated bank. It had already absorbed two or three magnificent establishments which had brought a great deal of business to them, and that business was constantly increasing. He believed that as they went on they would become more and more consolidated by the absorption of other banks, and eventually that they would stand in the same position relatively to the banking world as the consolidated fund did relatively to the finances of the country. (Cheers.)

The resolution having been carried, on the motion of the chairman, seconded by Sir Joshua Rowe, the retiring directors were re-elected. The auditors, Mr. Chadwick and Mr. William Cooper, were also re-elected.

The chairman then moved that a dividend of 10 per cent. per annum with a bonus of 3s. per share be declared.

The motion was seconded by Mr. Wylie, and agreed to.

In reply to a question from a Shareholder,

The chairman observed that to make a call was a question of policy which must rest with the directors, and the expediency of making one could be alone judged of after taking into consideration all the circumstances in which the bank was placed. At the present moment he could only say that the growth of the public confidence in the bank was such that the directors felt no kind of tendency whatever in that direction. They must remember that, although the capital paid up amounted only to £800,000, the public had also the guarantee of an uncalled capital of £1,400,000 held by responsible shareholders, and the board did not see that the credit of the establishment would be increased in any degree by adding to the present paid-up capital. (Cheers.) If, however, at any time the directors thought it desirable for the interest of the shareholders to do so, they might rely upon it the subject would receive the most anxious consideration of the directors. (Cheers.)

On the motion of Sir Joshua Rowe, seconded by a shareholder, a cordial vote of thanks to the chairman and directors closed the proceedings.

EAST LONDON BANK (LIMITED).

THE second ordinary meeting of this company was held on the 2 January, at the London Tavern, Bishopsgate Street, to receive the directors' and auditors' reports and the balance-sheet for the half-year ending 31st December, 1864, to declare a dividend, and to elect auditors for year. The chair was taken by C. S. Butler, Esq., M.P., chairman of board of directors.

Mr. Hurst Daniell, the secretary, read the advertisement convening meeting, and the following report:—The directors submit their second report to the shareholders, together with the accounts for the half-year ending 31st December, 1864, certified by the auditors. During the half-year the business of the bank has steadily and satisfactorily progressed notwithstanding the recent commercial depression. The amount standing to the credit of profit and loss, after making ample provision for bad doubtful debts, is £13,596. 16s. 7d. Deducting the amount of current charges, interest due to customers, rebate on bills not matured (at 6 cent.), and the sums written off the amounts standing to the debit of bank premises and preliminary expenses, there remains a balance of £3,841. 10d. The directors recommend the payment of a dividend at the rate of 5 per cent. per annum, free of income tax, which will absorb £2,500., leave £1,341. 18s. 10d., together with the rebate, £1,893. 10s. 1d., making the sum of £3,235. 8s. 11d. to be carried forward to the present half-year. The premises in Cornhill, for the head office, are on the point of completion with the exception of one house not yet in possession, and they will be ready for occupation during the ensuing month. The auditors, J. Young, Edward Hunter, and J. H. Gordon, Esqrs., retire from office, being eligible, offer themselves for re-election.

General Balance-sheet, 31st December, 1864.

CAPITAL, LIABILITIES, &C.

<i>Dr.</i>		
Capital—Authorised £2,000,000 ; subscribed in 20,000 shares of £50 each £1,000,000 ; amount paid up, viz., £5 per share on 20,000 shares	...	£100,000
Amount due on current and deposit accounts exclusively	...	346,196
Amount due for general expenses, &c.	...	439
Reserve fund	...	12,080
Rebate of interest on current bills £1,893. 10s. 1d.; profit and loss account—net profit as per statement £3,841. 18s. 10d.	...	5,735
		<hr/> £464,371 <hr/>

ASSETS, &C.

<i>Cr.</i>		
Cash at Bank of England, in hand, and at call	...	£145,077
Bills discounted, loans, &c.	...	271,527
Investments (£13,296. 8s. Consols)	...	12,000
Bank premises, furniture, fittings, &c.	...	28,798
Balance of preliminary expenses	...	6,968
		<hr/> £464,371 <hr/>

Profit and Loss Account, for the Half-year ending the 31st day of December, 1864.

Dr.

General charges at head office and branches £3,824. 5s.; interest paid and due on current and deposit accounts £3,037. 2s. 8d....	£6,861 7 8
Amount written off—Bank premises account for depreciation in branch premises, furniture, &c. £500; preliminary expenses account, in reduction of same £500	1,000 0 0
Rebate of interest on current bills at 6 per cent. £1,893. 10s. 1d.; balance, being net profit to 31st December, 1864 £3,841. 18s. 10d. ...	5,735 8 11
	<u>£13,596 16 7</u>

Cr.

Balance at 30th June, 1864, £2,957. 17s. 8d.; deduct, amount of first dividend paid at the rate of 5 per cent. per annum £2,183. 6s. 8d....	£774 11 0
Balance of profit for half-year ending 31st December, 1864, after providing for estimated loss by bad and doubtful debts	12,822 5 7
	<u>£13,596 16 7</u>

The Chairman said—Gentlemen, I am sure you will be pleased to hear from me that I shall not have occasion to trespass upon your valuable time at any length. It would be unpardonable in me were I to do so, for our operations during the past six months have really been as much of a routine character as they would have been had our bank been established many years. When I last had the pleasure of addressing you in this room, I occupied the chair for the first time; it was the first half-yearly meeting of the shareholders of this bank—it seemed to me important on every account that your chairman should endeavour to establish confident relations with you, and I did not hesitate, therefore, frankly to state to you my views as to the principles of management, and my hope that you would all earnestly co-operate with your directors in giving an energetic support to the bank; and I ventured the opinion that, so supported, our operations could not fail of success. (Hear, hear.) Well, gentlemen, another six months have passed, and I have now to thank you for much support. I am willing to admit that on the whole we have no right to complain that you have not given us your co-operation. Nevertheless, I must add that there are many influential proprietors who have yet, not only to bring their own accounts, but to use their influence in the circles in which they move. I am sure you will excuse me for being plain in this matter. Of course it is in your interest that I speak; for be assured, if every shareholder now present would open his account with the bank, our shares would be more valuable and your next dividend would be augmented; the effect upon your property would in every way be of a telling character. Well, gentlemen, I do not wish to press this upon you overmuch. I must, however, be permitted to add that the business of a joint-stock bank is not made by the influence of a board of directors only—the words joint-stock seem to me to imply united exertions

as well as united purses. All are partners, all, therefore, are morally bound to exert themselves for the common good. Gentlemen, you have had the balance-sheet before you for several days; no inquiry has been raised with reference to it; I hope, therefore, it is of a satisfactory nature. It has been prepared with great care, and after lengthened investigation by your auditors, one of whom is a professional accountant of known position and of the highest character. They have examined all the securities, upon which they would have reported specially if they had not been correct. Our report intimates to you that during the half-year the business of the bank has steadily and satisfactorily progressed notwithstanding the recent commercial depression. (Hear.) Well, gentlemen, I think you will agree with me that this is by no means an exaggerated statement. Scarcely a day has passed since I last had the pleasure of meeting you without an accession to our number of accounts; and, with reference to the figures we submit to you, I am sure you will not fail to remember that twelve months only preceding this report we commenced the business of the bank. We were then without an account—a bank only in name. That was our position at the commencement of the year. What was our position at the close of the year? After having passed through our till £11,633,077. 9s. 9d. (and this on current accounts alone at the head office only), we had confided to us, by more than one thousand customers, balances amounting to £346,196 on current and deposit accounts exclusively.—(Loud Cheers.) I will not dwell upon this matter; no doubt it will be gratifying to my colleagues if you think, with them, that these figures evidence a steady and a satisfactory progress, and that the public has already acquired a large amount of confidence in the bank. It will remain for us to show our appreciation of this confidence by affording every proper facility to those who are given us such valuable support, and by jealously maintaining the honour of the bank.—(Hear, hear.) You will, perhaps, expect me to advert to the peculiar state of monetary affairs during the past six months. I need not do so, for we are not in the position of having made serious losses. Had we been disposed to depart from our, I think, wholesome rules, we might have been able to present to you much larger figures; but unless large figures are the result of sound business, it is better to be satisfied with more circumscribed arrangements, and a safe and steady, although it may be a comparatively slow progress. Happily our commercial interests are now in a more healthy state.—(Hear.) We owe it to the very judicious course of procedure adopted by the Bank of England that there is now a freedom from the absurd spirit of speculation—I had almost called it gambling—which prevailed only a few months ago. (Hear, hear.) You will see that a slight alteration has been made in the form of stating an important item in the balance-sheet. We now tell you precisely the amount of business we are doing. In speaking of the amount due by the bank we do not adopt the old stereotyped form “Current Deposit and other Accounts;” but we say “Current and Deposit Accounts exclusively.” By this you will see precisely the progress we are making and the estimation in which we are held. (Hear.) Our report intimates to you that “the premises in Cornhill for the head office are on the point of completion, with the exception of one house not yet in possession.” Gentlemen, we are putting up a building, a solid structure, which we hope when it is wholly completed will not disgrace the street architecture of this great city. It will be a plain building suitable for the purpose for which it is

needed; we have avoided excessive ornamentation, believing a quiet plain structure to be more in accordance with the purpose to which it is to be applied. If any of my friends here are disposed to criticise, I must ask them to await the erection of the additional part of the building at the close of the year. We shall then present a bold frontage of 50 feet to the front of Cornhill, the choice spot of this great city, in the highway to these great commercial interests, to assist which our bank was established. We hope to enter upon the occupation in February. Gentlemen, no circumstance has occurred to induce your directors to issue the additional million of capital authorised by you to be taken; but your directors are convinced of the wisdom of the resolution, for we are now in the unusual position of being able to take over, by purchase or otherwise, and bring into limited liability, any bank, or banks, however large. We are now able to raise £1,900,000, should it be advantageous to do so—a pretty rare guarantee for our safety as a bank. With reference to our staff of officers, I cannot imagine a bank to be better served. Our principal officers have been indefatigable in discharge of their duties, and I give expression to the unanimous feeling of the board when I say that Mr. Latter, your manager, and Mr. Platten, are thoroughly devoted to your interests. I ought also to mention that Mr. Daniell, your secretary, and Mr. Finlayson, your accountant, are very zealous; indeed, in so far as it is given me to judge, all our officers are looking to the honour and prosperity of our common property. I am at the head office every day, and I assure you it is very gratifying to me to observe the order and gentlemanly feeling that prevails: it is in my opinion creditable to every officer in the establishment. (Loud cheers.) Our report has intimated to you that the auditors—Mr. John Young, Mr. Edward Hunter, and Mr. J. H. Gordon—retire from office, and that they offer themselves for re-election. The articles constituting the company direct the election of auditors at this meeting; and it is a wise regulation that one at least shall be a professional accountant. I should have been better pleased had two been professional. I candidly own to peculiar notions with reference to the auditing of the accounts of public companies. I am afraid it sometimes happens that gentlemen who are not accustomed to deal with masses of figures and intricate accounts are sometimes appointed to this responsible duty because they are large shareholders, and are influential men. Gentlemen, depend upon it, it is a mistake. (Hear, hear.) Happily, we are fortunate in having good men of business; and I beg it may be understood that my remarks do not in any manner apply to them. If, however, any vacancy should occur, it will then be for you to consider the propriety of appointing a second professional accountant. (Hear.) Gentlemen, I have trespassed too long upon your attention. (No, no, and cheers.) We shall be happy to reply to any questions upon which you may desire information. If your questions refer to the general policy and management of the bank, I, or one of my colleagues, will cheerfully respond. If it should relate to the balance-sheet and accounts, your own officers specially appointed to this particular duty—I mean the auditors—will, of course, render every information. I need not say that my friend, the manager, who is present, will give every proper information with reference to his department. I have now only to express my thanks to you for having listened so indulgently to my humble statement, and my assurance that we all feel the greatest interest in the prosperity of the bank. (Loud cheers.) I beg to move that the report and accounts be received and adopted.

Mr. Capper (Deputy-Chairman) seconded the motion. After the very able speech made by their chairman, it was unnecessary for him to trouble them with any observations. He could assure them, however, that the affairs of their bank were in a most prosperous condition, and would soon be one of the first in London. (Cheers.)

The resolution was then put, and carried unanimously.

Mr. White next moved that a dividend at the rate of 5 per cent. per annum, free of income tax, be paid to the proprietors. He could assure them that the crisis through which they passed was one of no ordinary character, and after so much money passing through their hands, it was really wonderful how trivial had been their losses. At the last meeting he ventured to tell them there was no doubt of the prosperity of the bank, and he repeated now that if the proprietors only assisted the directors they could double even their present business. (Hear, hear.) Indeed, even without that assistance, it might have been more than doubled but for the great care, caution, and judgment manifested during the last six months by those who had the management of its affairs. (Cheers.) Its prosperity and good management were such that he sincerely believed it would ere long be another London and Westminster Bank. (Cheers.)

Mr. Walford seconded the motion, and reminded the proprietors that the proceedings of the East London Bank were characterised by no display, by no speculations, but that their profits resulted from legitimate banking business. (Hear, hear.)

The resolution was then unanimously carried.

Mr. Bristow next moved that a sum of 50 guineas be paid to the auditors, and that they be re-elected. In his opinion their excellent chairman only did justice to the auditors when he spoke of their duties and responsibilities. For example, it would not be very satisfactory to himself if he were to go into a mass of large and intricate accounts, and it was therefore essential that that duty should be performed only by those who thoroughly understood it. (Hear, hear.) He did not believe the sum proposed was too much. (Hear.)

Mr. J. C. Connor seconded it, and the resolution was adopted unanimously.

Mr. A. T. Laport moved a vote of thanks to the chairman and board of directors, and could not help expressing his gratification at the careful and steady course they pursued in a time of difficulty and danger, and thus preventing the proprietors from incurring very large losses. (Hear, hear.)

Mr. Charles Devonport seconded the motion, and it passed unanimously.

The Chairman returned thanks, and in answer to a proprietor who asked him that morning the amount of their losses, he stated that they did not exceed £600, although they discounted bills amounting to more than £700,000 or £800,000 during the last half-year. (Cheers.) After that declaration he believed the proprietors would be of opinion they were not seriously hurt. (Hear, hear, and a laugh.)

In answer to a question put by a shareholder,

Mr. White said there was no intention whatever of making a call for further capital.

Mr. Jervis next moved, and Mr. Ratcliffe seconded, a vote of thanks to the manager, sub-manager, the secretary, and the other officers of the bank for the manner in which they discharged their duties.

The resolution being unanimously adopted,

Mr. Latter (manager) returned thanks.

Mr. Heiron was very much pleased with the progress of the company, and he believed there was no other bank where the business had been transacted without larger losses. He had much pleasure in moving that the best thanks of the meeting be given to Charles Salisbury Butler, Esq. for his courteous conduct in the chair.

Mr. J. C. Stovin thought this meeting would greatly increase the reputation already enjoyed by the bank in the eyes of the public. He, for one, was much better pleased to come there and receive a 5 per cent. dividend which had been earned by sound and legitimate business rather than a 10 or 15 per cent. dividend earned solely by speculation.

A vote of thanks being unanimously carried the proceedings then terminated.

YORK CITY AND COUNTY BANKING COMPANY.

The annual meeting of the shareholders of this company was held on the 26th January, Mr. Alderman Meek, of Middlethorpe Lodge, presiding. The report was of a highly satisfactory nature. A dividend and bonus equal to 14 per cent. on the increased capital of the bank was declared, and a sum of £4,528 odd was carried to the reserved surplus, which now stands at £36,207. 12s. 9d. The undertaking appears to be in a very prosperous condition.

ROYAL BANK OF LIVERPOOL.

The annual meeting of the proprietors was held on the 26th January, Mr. Brancker presiding. The only features of interest were the declaration of a dividend of 7 per cent. and the carrying of a sum of £41,000 to the reserve fund, making it now upwards of £82,000.

ORIENTAL FINANCIAL CORPORATION, LIMITED.

The first ordinary general meeting of the members of this corporation was held on the 27th January at the London Tavern, Mr. W. C. Brown in the chair.

Mr. Priggen, the secretary, read the following report :—

"The directors beg to submit to the shareholders the following report, and the accounts audited to the 31st December, 1864. The gross profits from the commencement of the business in April last have amounted to £21,762. 13s. 2d., which, after deducting expenses of management, rebate of interest on bills, and all other charges, and carrying 10 per cent. to the credit of preliminary expenses and office furniture, leaves a balance of £16,975 18s. 11d. Out of this sum the directors have appropriated £706 3s. to the payment of *ad interim* interest to 30th June last, at the rate of 8 per cent. per annum, and £3,298. 12s. 8d. for dividend to 31st December, 1864, at the rate of 8 per cent. per annum, leaving the sum of £12,971. 3s. 3d. to be carried forward to the next account. The operations in India are upon a satisfactory basis, and are capable of considerable extension,

but the commercial uncertainty which has existed during the last few months has induced the directors to restrict business. The closed accounts from thence for the past year have not yet been received, and they will therefore appear in the next statement. The business which has been undertaken, otherwise than in connection with the East, has principally consisted in advances against the deposit of collateral securities, besides which 'The London Engineering and Iron Ship Building Company (Limited)' has been successfully introduced for the object of taking over the business of Messrs. Westwood, Baillie, and Co. The Borakai Tea Company (Limited) has also been brought forward by this corporation. As it is necessary that a clause in the articles of association should be altered to meet the regulations of the Stock Exchange, which require that companies shall not invest in their own shares, notice of an extraordinary meeting will be given for the purpose of effecting that object, and at the same time of introducing clauses increasing the qualification of directors, and giving additional powers to the corporation for raising money on debentures, and for other purposes."

*Balance-sheet, December 31st, 1864.**Dr.*

Capital 10,000 shares of £50 each £500,000—viz.:—9,445 shares on which £10 has been called up £94,450; less calls in course of payment £5,450—89,000; 555 shares forfeited on which has been paid £1,615	£90,615	0	0
Amount due on bills payable, loans deposit, &c.	£218,478	6	6
Sundry creditors	5,250	14	2
Interest, rebate on bills not due	15	0	1
Profit and loss—Balance transferred to credit of this account as per annexed statement, viz.: gross amount £21,762. 13s. 2d.; less disbursements, charges, and dividend £8,791. 9s. 11d.... ..	£12,971	3	3
	£327,330	4	0

Cr.

Advances on security, &c. £194,391. 12s. 6d.; ditto, Indian agencies* £65,896. 7s. 1d.	£260,287	19	7
Cash at bankers, in hand and on deposit £87,372. 2s. 9d.; bills receivable £27,863. 19s. 10d.	55,236	2	7
Investments	2,450	0	0
Office furniture	356	1	10
Preliminary expenses £10,000; less written off to profit and loss account £1,000	9,000	0	0
	£327,330	4	0

*Profit and Loss Account, December 31, 1864.**Dr.*

Current expenses, including salaries, advertising, stationery, rent, directors' fees, depreciation in value of fixtures and furniture, income tax, and all incidental charges	£3,786	14	3
Amount written off preliminary expenses	1,000	0	0
Carried forward	£4,786	14	3

* Remittances for this amount will be receivable in February, March, and April.

Brought forward	£4,786 14 3
Interest at the rate of 8 per cent. per annum on the paid-up capital for the period ending June 30, 1864, paid August 27th	706 3 0
Dividend for the six months ending December 31, 1864, at the rate of 8 per cent. per annum	3,298 12 8
Balance carried to profit and loss (new account)	12,971 3 3
	<u>£21,762 13 2</u>
<i>Or.</i>	
Gross profits	<u>£21,762 13 2</u>

The Chairman, in moving the adoption of the report, said—On the subject of the business in India, they were fortunate enough, very soon after the company was established, to arrange agencies there, and their business was in the hands of gentlemen who were well known and in whom the shareholders must have the greatest confidence. The business into which they had entered was preliminary, with a view of ascertaining the best mode of conducting the affairs of the corporation; and they had now, although they commenced on a very small scale, ascertained the class of business that might be done. The rate of interest in India had been comparatively low, and there had been no very great inducement for pushing it, but they saw there was an opening for a further extension of business if they had the means of entering upon it. Under these circumstances they had thought it better not to lock up the money in India, but to place it in temporary securities. If the corporation could get money on debenture they could lend it on permanent securities. They had not lent money on permanent securities, nor was it thought desirable to do it. Shortly after the commencement of their business they found monetary matters were getting into a difficult position, it was necessary to be very cautious in employing the corporation's funds, and they thought the more desirable plan was to restrict their business. In India they gave strict orders that money was not to be advanced on cotton. They found the agents had been very cautious, and they would see by the accounts, they expected large remittances from India in a few months. Many of their securities had run off without any loss. Their business had therefore become very restricted, and with the exception of two or three accounts there was nothing of any very great importance running connected with the interests of the company. The accounts from India were not completed; they would come into the next accounts, but he did not expect there would be very much difference. It would depend on the rate of exchange at which the funds would be sent home. On looking at the accounts it would be found they had carried over a large amount in proportion to the profits. They divided 8 per cent. and carried over £13,000 to the next account. There were several reasons why they should do this. In the first place, there was a large sum for the establishment of the corporation. £10,000, over which they could exercise no control. They could not help it (cries of "Oh, oh"). Another reason they did not wish to divide too much in dividend was to meet any contingency that might possibly arise. The directors could not give a specific market value to the securities they held, therefore it was desirable to restrict the dividend to 8 per cent., and carry the remainder forward. He had only to ask the shareholders to give them their support in conducting the business. Any

money they could get could be placed out at a fair interest, and if they had a million instead of £100,000 they could lend it more favourably. He moved the adoption of the report.

Mr. R. Grove seconded the motion.

Mr. Knight strongly urged that there should be a sub-division of the items in the account, and called attention to the extraordinary provision in the articles of association providing that Mr. Salter, financial agent, should be paid 1 per cent. on the nominal capital up to and not exceeding one million sterling, such commission to be defrayed out of the first money received from profits and charged against the company.

Mr. Stuart asked whether the corporation had been a loser by Mr. Halliday, who was one of the directors, or by his firm. That circumstance had tended to depreciate their shares, and he did not think that one shilling ought to be lent on shares. He thought the directors could help the preliminary expenses, and they ought not to have had anything to do with an undertaking which involved such a charge. (Hear, hear.) If their business was restricted it would be wise to look out for an amalgamation with some respectable company instead of frittering away their capital. He complained he could not get information as to the accounts, although he had called at the office of the corporation.

Mr. Baker contended that the amount of profit was not more than £3,650.

Mr. Howell asked if it was stated in the prospectus that 1 per cent. on the nominal capital was to be paid for preliminary expenses.

The Chairman did not remember, but the prospectus would refer to the articles of association, where it was stated what the arrangements were.

Mr. Howell said he was only a shareholder in the company by accident, but he could not refrain from denouncing the practice of publishing a prospectus in which such an important matter was kept back. He did not believe any man would pay his £5 if he knew that £1 of it was to be paid to another as commission, namely, for putting it before him whether he would join the company or not. (Hear, hear.) Any company which required such an amount of money to start it could not be worth much to come into. It was very well known that when people came to sign the deed of settlement they did so for the most part without reading it through. They had a balance-sheet which showed 20s. in the pound for their investment, and yet they could not sell it in the market for 10s. What was the use of a large revenue when their capital was so depreciated? (Hear, hear.)

Mr. Crockett thought that a great deal of blame was unjustly thrown on the shoulders of the directors. It was usual for all companies to pay a large sum for preliminary expenses. He thought it was doing well to realise a profit of £21,762, and if they only supported the directors he believed they would do well.

Mr. Lysley, a director, said that if the shareholders were of opinion that there should be no dividend at all he should not complain. The reason why the shares were so low was, that a great many had been allotted to persons who when a pressure came upon the money market were not able to keep them. They were thus thrown on the market in great numbers, and consequently depreciated. They might have kept up the price if they did as other companies—rig the market. (Hear, hear.) None of the directors had received a single penny of the preliminary expenses, and he understood the gentlemen who received the commission risked £3,000 or

£4,000 of his own money in the matter. He, of course, looked for a profit from it. (Hear, hear.)

The Chairman said that the company had not lost a single penny by Mr. Halliday, nor were they under any liability on his account. (Hear.) Mr. Halliday had been one of the directors, and as a director he behaved in the most honourable manner. The directors joined the company as it came to them, and the shareholders joined it in the same way. The loans on deposit amounted to only £6,000 or £7,000, but as a rule they did not want money for short periods. The directors would not hesitate to accept a proposal for amalgamation on fair terms, and he might mention that intimations of the possibility of amalgamation had come to them from one or two quarters. (Hear.) They had now the opportunity of doing a large business in India. The subject of a call was an important one. All he could say was that he saw no necessity for a call at the present time. (Hear, hear.) He hoped there would be no such necessity for three months, or perhaps longer, but he could not give any pledge on that point. If they could raise money on debenture it would obviate the necessity for a call. They had no agency in Madras, because they had as much as they could do in the other two agencies.

The motion was then put and carried.

The auditors were re-elected.

The meeting was then made special, for the purpose of considering certain alterations in the articles of association proposed by the board. The only ones which were objected to by certain of the shareholders were those which proposed that the qualification of the directors should be raised from 5 shares to 20, and that the directors should be empowered to "borrow on behalf of the corporation from any of the directors or members or any other person or company, such sums as they might require upon mortgage of the property of the corporation, or upon bonds or otherwise." With regard to the first, the majority of the meeting was in favour of the qualification of directors being raised to the possession of fifty shares; and with regard to the second, it was proposed that the directors should be empowered to borrow only to the extent of one-third of the paid-up share capital; but on the solicitor stating that no amendment could be made without notice, the proposals of the board in both respects were adopted.

A vote of thanks to the chairman terminated the proceedings.

MIDLAND BANKING COMPANY.

THE third ordinary general meeting was held on the 27th January, at the London Tavern; Mr. Thomas S. Richardson in the chair.

The following is the directors' report, &c. :—

"The directors feel pleasure in laying before the shareholders the following statement of accounts and balance-sheet for the half-year ending 31st December, 1864, duly examined and certified by the auditors. From the balance-sheet it will be seen that the gross profits for the half-year, including £713. 14s. 3d. brought forward from last account, have been £15,563. 9s. 6d., after providing for bad and doubtful debts, and that after deducting all the current expenses of the bank, interest paid to customers, &c., and allowing for rebate of interest on bills discounted and not due, there remains a disposable balance of £4,169. 19s. 11d. The

directors recommend that out of this sum, £384. 3s. 2d., being at the rate of 10 per cent. per annum, should be written off preliminary expenses that £2,029. 18s. should be appropriated to the payment of a dividend at the rate of 5 per cent. per annum, free of income tax, upon the paid-up capital of the company; that £1,000 should be added to the reserve fund, and that the balance, £755. 18s. 9d., should be carried forward to 'profit and loss' new account. The shareholders are aware that in October 1864 arrangements were provisionally concluded between the directors of the company and the directors of the London and Northern Bank, for the amalgamation of the two companies. These arrangements were not confirmed by the shareholders of the London and Northern Bank, but before the close of the year your directors were able to conclude terms for the transfer of the business of the London and Northern Bank at Huddersfield, Leeds, and Sheffield, to the Midland Banking Company, which they believe cannot fail to prove highly advantageous to the shareholders. The directors have also the pleasure to report that, since the date of the accompanying balance-sheet, the position of the bank has been further strengthened by the addition of upwards of 240 names to its proprietary; that number of shareholders in the London and Northern Bank, holding together upwards of 3,800 shares (£25 paid), having applied to have allotted to them a like number of shares in this company (£15 paid) in lieu thereof, with the understanding that they are to receive any sum beyond the £15 per share, which may be realised out of the assets of the London and Northern Bank. By these allotments, the subscribed capital of the bank will be once raised to about £800,000, the new shares being chiefly held by proprietors residing in the districts of the branches, and therefore in a position to promote the success of the bank. Basil T. Woodd, Esq., M.P. of Conyngham Hall, Knarborough, and Charles Poppleton, Esq., Huddersfield, directors of the London and Northern Bank, have joined the direction of this company; and John Stubbs, Esq., a gentleman well known in the district of Wolverhampton, has also been elected to a seat at the board. Resolutions for the approval of the election of the gentlemen as directors will be submitted to the meeting. The directors retiring at this meeting, in conformity with the articles of association, are W. Stratford Dugdale, jun., Esq., J.P., J. H. Lance, Esq., and F. J. Laing, Esq., and these gentlemen, being eligible, offer themselves for re-election. The shareholders will also have to elect two auditors in the place of C. I. A. Martelli, Esq., and John Percivall, Esq., who will retire in accordance with the articles of association, but are eligible for re-election.

"Balance-sheet, Dec. 31, 1864.—Dr.: Capital paid up, £85,389; reserve fund, £1,000; amount due by the bank on current, deposit, and other accounts, £345,484. 5s. 10d.; liabilities on acceptances by the bank, £45,250; together, £390,734. 5s. 10d.; profit and loss balance, brought from last account, £713. 14s. 3d.; gross profit for the half-year, after providing for bad and doubtful debts, £14,839. 15s. 3d.; together, £15,553. 9s. 6d.; total, £492,676. 15s. 4d. Cr.: Cash on hand and call, £57,004. 0s. 4d.; purchase of freehold and copyhold property, at bank fittings at head office and branches, £10,784. 8s. 1d.; purchase of business at Wolverhampton, and also at Hereford, £6,000; bills and promissory notes discounted, and other advances to customers, £400,973. 15s. 9d.; preliminary expenses, and expenses in establishing branches, £7,683. 3s. 8d.; current expenses, including all salaries, rents, &c., at head office and branches, income-tax, and directors' remuneration, £4,957. 1s. 3d.; in

terest paid on current and deposit accounts, &c., £5,274. 6s. 3d.; total, £492,676. 15s. 4d.

"Profit and loss account. — Dr.: Current expenses, as above, £4,957. 1s. 3d.; interest paid to customers, &c., £5,274. 6s. 3d.; rebate on bills not due, carried to new account, £1,152. 2s. 1d.; amount written off preliminary expenses, being at the rate of 10 per cent. per annum, £384. 3s. 2d.; dividend at the rate of 5 per cent. per annum, for the half-year, £2,029. 18s.; amount added to reserve fund, £1,000; balance carried forward, £755. 18s. 9d.; total, £15,553. 9s. 6d. Cr.: By balance brought from last account, £713. 14s. 3d.; gross profit for the half-year, after providing for bad and doubtful debts, £14,839. 15s. 3d.; total, £15,553. 9s. 6d."

The Chairman, in moving the adoption of the report, said he had a great deal of pleasure in drawing the attention of the shareholders to the report which was already in their hands, and in congratulating them on the progress of the bank. They were progressing in every instance. If the shareholders took any or every amount in the report and compared it with the report issued for the previous six months, they would find an increase in everything, and more especially in the item of profit. In the previous six months the deposits amounted to about £191,000; but in the last six months they stood at £345,000. The gross profits for the six months previous were £9,900, and for the six months just ended about £14,800. On comparing the accounts it would be found that while formerly it had taken them eighteen months to declare a dividend of five per cent., they had done the same in the last six months. The reserve fund belonging to the bank was not made up, as in the case of other companies, by premiums on shares. There was no clap-trap about it. It was made up from the profits, and not out of money taken out of the shareholders' pockets. (Hear, hear.) During the month of October preliminary negotiations had been carried on with the London and Northern Bank for a transfer of the business of that bank to the company. These negotiations were not agreed to, but after some further negotiation they came to terms, the company taking the business of the Leeds, Huddersfield, and Sheffield branches of the London and Northern Bank at a purchase of a year and a half. That business was going on very well, as it dove-tailed into the other business of the bank. He concluded by moving the adoption of the report.

Mr. Whitworth, in seconding the motion, said the bank was in a good and sound position.

A Shareholder asked on what terms the business of the London and Northern Bank was taken over, and if the company by taking over that business had contracted any liabilities.

The Chairman said the bank had contracted no liabilities in taking over the business of that bank. They had an efficient inspector of branches. The bank possessed good managers, and everything relating to the business of the bank came under the immediate inspection of the directors.

The report was adopted.

Mr. B. T. Woodd, M.P., Mr. C. Poppleton, directors of the London and Northern Bank, and Mr. John Stubbs, of Wolverhampton, were elected directors of the bank.

A vote of thanks to the directors and the chairman closed the proceedings.

UNION BANK OF IRELAND.

THE fourth ordinary general meeting of the proprietors of this bank held on the 27th January, at the London Tavern; Mr. E. W. Wingfield in the chair.

The Secretary (Mr. Bull) having read the notice convening the meeting proceeded to read the report:—

"The directors have to record their deep regret at the loss the bank sustained by the death of their colleague, the late Henry Bruce, Esq., whose sound judgment, ability, and untiring energy were to the last devoted to its interests. The accounts now submitted show that the gross profits of the half-year ending 31st December, 1864, after making provision for all bad and doubtful debts, amount to £18,782. 16s.; after deducting all current expenses and interest paid and due to customers on current and deposit accounts, there remains (including the amount brought forward from last account) a total available balance of £7,972. 19s. 3d. The directors propose to appropriate the above amount as follows, £500 to reserve fund, £500 in reduction of preliminary expenses, £5,000 in payment of a dividend of 10s. per share (free of income tax), leaving a balance of £1,972. 19s. 3d. to be carried to new account, in which sum is included a rebate of interest on bills discounted not yet due. During the past half-year branches of the bank have been established at Kells, county Meath; Fethard, county Tipperary, and at Tipperary. The first named was opened in August last, and has made good and satisfactory progress; the last-named have not been sufficiently long established to enable the directors to estimate correctly their ultimate success. The expenses attending formation of these branches have been defrayed out of the profits of the past half-year. The general progress made by the bank in all its branches is satisfactorily evinced by the steady increase in the business, the acquisition of several valuable accounts, and a marked appreciation of the liberal policy which has been adopted in its management.

"Statement of accounts to 31st December, 1864.—Dr.: Liabilities.—Capital £220,000; deposits and current accounts, £366,480. 7s. 1d.; seven days and other bills, &c., £19,606. 11s. 3d.; reserve fund, £1,500; balance of profit and loss, £7,972. 19s. 3d.; total, £615,559. 17s. 7d. Assets.—Cash at London bankers', branches, and agents, and loans on interest call and short notice, £166,959. 19s. 4d.; Government and other securities, £16,445. 17s. 11d.; bills discounted, balances due on current accounts, £416,389. 16s. 5d.; bank premises and furniture, £9,466. 1s. 3d.; preliminary expenses, £6,298. 2s. 8d.; total, £615,559. 17s. 7d.

"Profit and Loss Account to Dec. 31, 1864.—Dr.: To charges on London and branches, including directors' fees, rent, salaries, interest paid and due on deposit and current accounts, &c., £12,868. 11s. 10d.; to balance brought forward, £7,972. 19s. 3d.; total, £20,841. 11s. 1d. Cr.: By balance from last statement, £2,058. 15s. 1d.; by gross profit for half-year to Dec. 31, after making full provision for all bad and doubtful debts, £18,782. 16s.; total, £20,841. 11s. 1d.

"Proposed Appropriation.—Dr.: To reserve fund, £500; to preliminary expenses account, £500; to a dividend of 10s. per share, free of income-tax, £5,000; to balance carried to new account, £1,972. 19s. 3d.; total, £7,972. 19s. 3d. Cr.: By balance of profit and loss account brought forward, £7,972. 19s. 3d."

The accounts, which were issued some time since, being taken as read—

The Chairman, in rising to move the adoption of the report, expressed the deep regret which the board felt at the loss of their late excellent and talented chairman, Mr. H. Bruce, who combined singular energy and activity with a soundness of judgment unequalled, and whose uprightness and integrity had won him the esteem of all with whom he was brought into contact. The board felt that they had sustained a severe loss in consequence of that gentleman's lamented death, and the shareholders had lost in him a jealous guardian of their interests. The accounts had been for some days in the hands of the proprietors, and he thought that he could fairly congratulate them upon the progress which the bank had made during the last six months. He referred to the increase of their deposits as the true test of that progress, and more especially as a criterion of public confidence. (Hear, hear.) It was, therefore, most gratifying to him to find that the deposit and current accounts on the 31st of December amounted, as shown by the balance-sheet, to the sum of £366,480, whereas in the preceding June they were only £237,812; they had therefore had an increase in their deposits during the present half-year of nearly £130,000, and they now amounted to double the sum at which they stood this time last year, and more than fourfold the sum at which they stood in June, 1863. He thought they would admit that that was a very satisfactory progress to make, and, of course, the increase of the gross profits, which during the past half-year amounted to £6,270 over that of the preceding, must be equally satisfactory. (Hear, hear.) The charges at London and the various branches, including fees, rent, salaries, and interest paid and due on current and deposit accounts, amounted to £12,868; but it was right to tell them that of this sum £6,700 was interest paid and due on deposit and current accounts, so that the working expenses were represented by the sum of £6,100.

Mr. Huggins expressed a hope that when the accounts were produced at the next half-yearly meeting, the items of interest and general charges would be set down separately.

The Chairman said they had no objection whatever to do so. They had endeavoured to work the bank as economically as possible consistently with efficiency, and with the same working expenses they would be able to deal with much larger funds. They had established, during the past six months, three new branches, and the expenditure connected with their establishment had been defrayed out of the profits of the half-year. One of these branches was opened in August last, and the other two in November, so that of course they had had to provide for an expenditure in those cases without being able as yet to reap any profit, which, however, he trusted would be derived to a considerable extent from them hereafter. It had been the desire of the directors ever since the establishment of this bank to obtain the confidence of the Irish people, and they thought they could not do so better than to confine themselves to legitimate banking business, and by employing in Ireland the deposits they had received in Ireland. (Hear, hear.) They had no doubt whatever that the people of Ireland would appreciate the incalculable advantages which the establishment of this bank had conferred upon the country. It was entirely due to the establishment of the Union Bank of Ireland that the value of deposits had been raised from $1\frac{1}{2}$ per cent. to its present rate—namely, about 4 per cent.—(hear, hear.)—so that it had actually made a differ-

ence to the saving population! of from £200,000 to £250,000 a year, taking the whole amount of deposit money in the country at the figure of £10,000,000. He believed that there was still a large sum of money hoarded, and had been for some time, in consequence of the old banks not offering its possessors sufficient inducement to deposit it with them, and there was no doubt that the policy adopted by this bank, and which had now been followed by others, of offering a fair rate of interest on deposits, would lead to the release of much of the hoarded money, which for all purposes connected with the advancement and prosperity of the country was, at present, absolutely useless. (Hear, hear.) Even the Bank of Ireland, which occupied an analogous position to the Bank of England, except that its notes were not a legal tender, and which formerly gave no interest at all to depositors, have allowed as much as 4 per cent.; and all the old banks had now come forward and followed the same example. The fact that the deposits in this bank exceeded by £130,000 those of the last half-year, showed the amount of confidence which the public placed in it, and led to the expectation that in a very few years they would have a very large amount of money on deposit account. He might also mention that the establishment of the Union Bank had given far greater facilities for the transmission of money between the two countries, which facilities the commercial classes had largely availed themselves of. (Hear, hear.) In respect to the new branches, a remunerative business had already been established at Kells; sufficient time had not, however, yet elapsed to enable the directors to form a judgment upon the other branches, but the most favourable reports had been received from the managers, and this he would say, that the directors would have no hesitation in at once closing any branch which after a fair trial was found to do well. (Cheers.) With respect to the internal prospects of the bank, he was happy to say that they were more cheerful than they had been for some time. The harvest had been a good one, and the crops had been gathered in without loss, and on the whole they were good. The grazing counties had perhaps not done so well on account of the extreme drought in the summer, but the whole position of the country was improved, wages being high and food abundant. (Cheers.) In the course of the late commercial crisis had been a period of anxiety to the directors, but he was happy to say that they had been no losers to any extent, and that that crisis had passed by leaving them unscathed. (Cheers.) They might have noticed that there had been a heavy fall in the woollen trade announced last week; but although it was true that they held some bills drawn by the firm which had failed, yet they were informed by their manager that the bank would not sustain any loss on their account, the bills themselves having excellent second names, and the bank holding collateral securities in addition. In conclusion, he might mention one fact which was most gratifying—namely, that whereas at the allotment the number of English proprietors in the bank was 276, and that of Irish proprietors 141; at present the English shareholders numbered 172, and the Irish 258, so that in point of fact nearly two-thirds of the proprietary was Irish. (Cheers.) It was needless for him to point out how useful the Irish proprietors might be to the bank, and he reminded them that it was a duty they owed alike to the directors and to the brother proprietors, that each shareholder should do all he could to promote the interests of the bank. (Cheers.) He begged now to move the adoption of the report.

The Vice-Chairman seconded the resolution.

A Shareholder inquired whether the bank held any paper of a large firm in the provision trade whose failure had just been announced?

The Chairman said he was happy to say that they held no obligations at all in respect to that firm. (Cheers.) They had excellent means of obtaining accurate information in respect to the position of all parties engaged in the Irish provision trade, which had steered them clear from loss in this instance. (Cheers.)

The report was then put and agreed to unanimously.

On the motion of the Chairman, seconded by Colonel Western, a dividend of 10s. per share, free of income-tax, was then declared.

The Chairman, in reply to a question from a shareholder, stated that the board would be most happy to receive into it an infusion of the Irish element, and that if any gentleman of position and standing were brought forward or offered himself, he would be warmly received by the directors.

On the motion of Sir J. Duke, seconded by Mr. J. Gurney Hoare, a cordial vote of thanks to the chairman and directors was carried by acclamation.

The Chairman, having thanked the meeting for the compliment, moved a vote of thanks to Mr. Quain, the general manager in Ireland, Mr. Bull, the secretary, and the general staff, which was seconded by a shareholder, and carried unanimously.

Mr. Bull returned thanks, observing that the managers were determined to do everything in their power to carry out a steady banking business, feeling convinced that in the long run that was a policy which would prove most successful. (Cheers.)

The meeting then separated.

THE NATIONAL BANK OF AUSTRALASIA.

The half-yearly meeting of this bank was held on the 1st November, at the Head Offices, Melbourne, Mr. T. H. Power in the chair, when a report was submitted, showing a net profit for the half-year of £30,387. 0s. 10d., out of which a dividend at the rate of 10 per cent. per annum was declared, amounting to £20,000; £9,000 was added to the reserve fund, and £1,387. 0s. 10d. carried to the next account.

YORK CITY AND COUNTY BANK.

The following is the report of the directors to the proprietors, at their annual general meeting, held on the 26th January:—

"The directors have the satisfaction to state, in this their thirty-fifth annual report, that, after making provision for bad and doubtful debts, and crediting the reserved surplus fund with £1,218. 8s. 2d. (interest at 4 per cent.) there remains a profit for the year 1864, of £22,028. 19s. 3d., from which they recommend a dividend of 8 per cent. on the increased capital, and a bonus of 30s. per share, (together £17,500,) free from income-tax, and that the balance of £4,528. 19s. 3d. be carried to the reserved surplus fund, which will then amount to £36,207. 12s. 9d. The directors have to notice, with sincere regret, the loss by death, since the last meeting, of two members of the board:—Caleb Fletcher, Esq., who

was many years an ordinary director, and Robert Williamson, Esq., for many years a managing director, and latterly the chairman of the board, whose practical knowledge of banking was of much service to the company. The vacancies at the board thus caused, have been filled up by the appointment of Edward Hotham Newton, Esq., and Caleb Williams, Esq., M.D. The former retires by rotation, and is eligible for re-election, and the appointment of the latter is subject to the approval of the shareholders.

Before dividing the profits, the directors voted a bonus of 10 per cent to the staff, and also voted a gratuity of £1,000 to Mr. Smallwood, in recognition of his long and valuable services.

The following resolutions were adopted:—

“That the report which has been read to the meeting be adopted, printed, and circulated amongst the shareholders. That James Meek, Esq., who retires by rotation, be re-elected a director. That Edward Hotham Newton, Esq., who retires by rotation, having been elected in the place of Robert Williamson, deceased, be re-elected a Director. That the appointment by the directors of Caleb Williams, Esq., M.D., as a director of this Company, in the place of Walter Sellon Gibson, Esq., who resigned after having been elected in the place of Caleb Fletcher, deceased, be approved. That the sum of £800 be placed at the disposal of the managing directors, and £300 be appropriated for the ordinary directors, for their services for the present year. That the thanks of the shareholders be presented to the chairman and the board of directors for their valuable services. That the thanks of the shareholders be presented to the general manager and the officers for their services during the year.”

THE ANGLO-ITALIAN BANK, LIMITED.

ANNEXED is the first report presented at the general meeting, held on the 30th January:—

“The directors have the pleasure of submitting to the proprietors, the first annual balance-sheet of the Anglo-Italian Bank. Although the government readily accorded to your directors the necessary permission to open a bank in Italy, still the legal formalities consequent thereon, together with the difficulty in finding suitable offices and competent managers for the different branches, were productive of considerable delay, so that the office at Turin was only opened for business on the 1st October, and the branch at Milan on the 1st December, 1864. A branch will be opened at Florence in a few days, and the directors also intend to commence business at Naples as soon as possible, a manager and staff having been already appointed. Acting under the power given them by the articles of association the directors have appointed local committees for Turin and Milan. The following gentlemen, representing some of the most influential firms in those cities, have consented to act in this capacity; viz., for Turin—Sig. Giuseppe Dupré, (Dupré père & fils); Sig. Vincenzo Denina; Sig. Gaetano Piaggio; Sig. Gaetano Spinelli, (Fedele Berné & Co.); and for Milan—Sig. Giulio Belinzaghi; Sig. Pietro Brambilla, (Brambilla & Co.); Sig. Giuseppe Oneto, (Oneto Cavajani & Co.); Sig. Giovanni Nosedà, (Nosedà & Burocco.) The directors think themselves most fortunate in having secured the co-operation of these gentlemen. The gross profits up to the

31st December, have amounted to £25,102. 6s. 7d.; deducting £8,420. 5s. 5d. for expenses, and £4,652. 13s. 4d. for rebate, at 7 per cent. per annum, there remains a sum of £12,029. 7s. 10d., out of which after the payment of 6s. per share by way of interest, free of income tax, being at the rate of rather more than 6 per cent. per annum, amounting to £5,500. 10s. your directors recommend that £2,831. 13s. 1d. be written off from preliminary expenses, and £2,000 placed to a reserve fund, leaving a balance of £1,697. 4s. 9d. undivided profit to be carried to the next account. In exercise of the power conferred on the board by the articles of association, the directors have added the following gentlemen to their number, viz:— Sir J. P. Lacaita, K.C.M.G., Member of the Italian Parliament; Sabino Leonino, Esq., of the firm of Leonino Bros., of Genoa, and Commendatore Devincenzi, President of the Royal Commission for the Cultivation of Cotton in Italy, and Member of the Italian Parliament. Sir James Hudson, J. Lubbock, Esq., and R. Benson, Esq., retire from office by rotation, but are eligible, and offer themselves for re-election. The accounts have been audited by Mr. Tucker, actuary of the Pelican Life Insurance Company, and Mr. A. Ricardo, appointed by the council for that purpose. It will rest with the proprietors to appoint auditors for the ensuing year."

Balance Sheet, 31st December, 1864.

CAPITAL AND LIABILITIES.

Capital called up, viz. £10 per share on 20,000 shares, £200,000 ;			
Less amount on 1,665 shares, unallotted, £16,650 ; and			
arrears on first call, £14,610 : £31,260	...	...	£168,740 0 0
Bills payable, current and deposit accounts, and letters of credit			122,316 9 3
Profit and loss account, as per annexed statement	...	...	25,102 6 7
			<u>£316,158 15 10</u>

PROPERTY AND ASSETS.

Cash in hand, at bankers', and on deposit	...	...	...	£39,393 7 6
Bills receivable, bills discounted, loans, and other investments	...	...	...	261,447 3 3
Bank premises and furniture	...	...	...	1,286 12 0
Preliminary expenses...	...	...	...	14,031 13 1
				<u>£316,158 15 10</u>

PROFIT AND LOSS ACCOUNT.

Dr.

Current expenses; including salaries, directors' remuneration, stationery, advertisements, rent in London and at the branches, income-tax, and other charges	...	...	...	...	£8,420 5 5
Rebate of interest on bills discounted and not due; taken at 7 per cent. per annum	...	...	...	...	4,652 13 4
Balance carried down	...	...	...	...	12,029 7 10
					<u>£25,102 6 7</u>
Interest, at the rate of 6s. per share	...	...	...	...	£5,500 10 0
Preliminary expenses, amount written off	...	...	...	...	2,831 13 1
Reserve fund; amount carried to	...	...	...	...	2,000 0 0
Balance; being undivided profit carried to new account	...	...	...	...	1,697 4 9
					<u>£12,029 7 10</u>

<i>Cr.</i>					
Gross profit brought down	...	...	...	...	£25,102 6
					£25,102 6
Net profit brought down	...	...	...	...	£12,029 7
					£12,029 7
Balance of undivided profit carried to new account	...	...			£1,697 4

[We shall give a report of the proceedings in our next number.]

THE JOINT-STOCK DISCOUNT COMPANY, LIMITED.

THE following is the report of the directors of this company adopted at the third ordinary general meeting of shareholders, held at the London Tavern, on the 31st January:—

"In submitting the annexed statement of accounts, the directors have the pleasure in congratulating the proprietary on a result which they are of opinion will, when the late severe commercial crisis is considered, be regarded as satisfactory. The balance of gross profits made during the six months ending the 31st ulto., after reserving an amount as provision against loss in respect of bad debts greatly exceeding that which is believed will ultimately be found necessary, have been £46,172. 13s. 11d. This amount, after deducting rebate on bills not due, and the current expenses, has enabled the directors to increase the reserve fund to £30,000, to declare a dividend at the rate of 6 per cent. per annum, amounting to 3s. 6d. per share, free of income-tax, and to carry forward £3,243. 2s. 11d. to 'profit and loss' new account. In consequence of the stoppage of the Leeds Banking Company, of whose endorsements this Company at the time held a very large amount, the extreme difficulty in negotiating the best mercantile and financial paper, and the extent of monetary embarrassments, which seriously threatened to terminate in a panic, the directors decided, after the most anxious consideration, that it was in the interest of the proprietors that the company should be immediately placed, not only in a position to meet every contingency, but in one of undoubted strength and that this desirable result would be best secured by making a call. The directors trust that this will be considered a sufficient reason for a step which, in any but the most exceptional times, might have appeared both inconsiderate and unnecessary. The prompt manner in which the call was met by the shareholders proves that they fully appreciated the propriety of the measure. The directors have elected Mr. A. W. Rixon to one of the vacant seats at the board. Owing to the unavoidable absence abroad of Mr. J. P. Judd, one of the company's auditors, the directors have appointed Mr. C. J. H. Allen in his place, which appointment, if approved of, will require confirmation by the shareholders. The company register on the 1st January of this year included no less than 1,150 shareholders, comprising the names of a large number of the leading merchants and traders of London and the provinces, and the directors have no doubt that the position of the company, supported by so influential a constituency, must continuously improve."

Balance-Sheet, 31st December, 1864.

<i>Dr.</i>			
Capital—80,000 shares, £10 paid, £800,000; Less unpaid calls, £44,587. 10s.*	...	...	£755,412 10 0
Reserve fund	...	...	25,000 0 0
Amount due on loans, deposits, &c.	...	...	2,197,040 17 8
Amount carried to profit and loss account, after making ample allowance for all bad and doubtful debts	...	...	46,172 13 10
			<u>£3,023,626 1 6</u>

<i>Cr.</i>			
Investments in Consols and cash at bankers'	...	...	292,693 8 2
Bills discounted, advances, &c., &c.	...	...	2,728,400 3 0
Lease, fixtures, furniture, &c.	...	...	2,532 10 4
			<u>£3,023,626 1 6</u>

PROFIT AND LOSS ACCOUNT FOR THE SIX MONTHS ENDING 31ST DEC., 1864.

<i>Dr.</i>			
Current Expenses, including salaries, rent, stationery, advertisements, directors' fees, auditors' fees, depreciation in value of lease, fixtures and furniture, income-tax, &c....	...	...	£5,868 10 5
Rebate on bills discounted, not yet due—carried to interest new account	...	...	19,472 14 3
Dividend at the rate of 6 per cent. per annum	...	...	14,000 0 0
Amount carried to reserve fund	...	...	5,000 0 0
Balance carried to profit and loss new account	...	...	3,243 2 11
			<u>£47,584 7 7</u>

<i>Cr.</i>			
Balance of profit and loss account, 30th June, 1864	...	...	£1,411 13 9
Balance of gross profits brought down	...	...	46,172 13 10
			<u>£47,584 7 7</u>

[We shall give a report of the proceedings in our next number, the meeting having taken place too late for present insertion.]

EASTERN EXCHANGE BANK, LIMITED.

THE following is the report of the directors of this company to the proprietors, at their first general meeting, to be held at Liverpool on Feb. 2:—

"The directors in calling the shareholders together for the first time, beg to submit an audited statement of accounts of the bank since its formation to 31st December, 1864. The difficulty in obtaining a suitable manager, the high rate of interest, and the generally embarrassed state of mercantile credit, induced the directors to postpone making calls and

* Since reduced to £25,372. 10s.

opening branches abroad; they have, however, been enabled to employ satisfactorily the amount of capital in their hands during the few months the bank has been in operation, as by the annexed statement, showing a balance of profit of £3,368. 2s. 3d., out of which they recommend a dividend for the half year of 1s. 6d. per share, free of income-tax, say at the rate of 5 per cent. per annum, leaving £368. 2s. 3d. to be carried forward to next account. The directors delegated Mr. J. H. Etheridge (general manager) to proceed to Egypt to establish a branch at Alexandria. The advices received from him are highly satisfactory, and it is anticipated that a large and profitable business will be transacted by the bank there. Mr. R. E. W. Baker, formerly of the Agra and United Service Bank, and of the Bank of Hindustan, China and Japan, has been appointed resident manager at Alexandria. The directors who retire by rotation are Mr. Patrick Hunter, Mr. G. M. Bowen, and Mr. A. Malcolmson, and being eligible for re-election, they offer themselves accordingly. The meeting will also have to elect an auditor for the ensuing year, and fix his remuneration."

THE GLASGOW CHAMBER OF COMMERCE AND THE BANK ACT.

At a meeting of the Glasgow Chamber of Commerce, on the 10th January Mr. Sandeman moved the following resolutions:—

"That, in the opinion of this Chamber, fluctuations in the rate of interest, frequent, extreme, and sudden, to an extent previously unknown and highly injurious to the commercial interests of the country, if not produced, have been greatly aggravated by the enactments and restriction on issue and banking imposed by the act of 1844. This opinion, matured after twenty years' trial of the act, is especially confirmed by recent experience of excessive high rates, and by no less than seventeen changes of the rate having occurred during twelve months.

"That the remarkable success of Scotch banking previous to 1844, under a system of currency and banking entirely free, attested by the great prosperity of Scotland under that system, which had worked so well for bankers and for the public, forms a striking contrast to the experience of English banking, under the opposite system of exclusive privileges and restrictions, ever accompanied by frequent and overwhelming disasters.

"That, for these reasons, this Chamber, in the prospect of some measure on currency and banking for the United Kingdom being introduced during the approaching session, resolves to petition parliament that, previous to further legislation, a special inquiry should be instituted into the principles and operation of the free Scotch banking which prevailed with such signal success previous to 1844, with the view to ascertain how far that freedom, so entirely in accordance with the principles now universally acknowledged by statesmen and by the public, might be extended, and under what modifications, with advantage to the currency and banking of the United Kingdom."

Mr. W. Buchanan, M.P., seconded the resolutions.

Mr. William Kidston proposed an amendment to the effect that, as the matter was at present under consideration of a committee of the directors it should be left in their hands to report to the Chamber.

A second amendment was proposed by Sir James Campbell, omitting the first and second resolutions, and giving a more general scope to the third.

After a good deal of discussion, Mr. Sandeman's resolutions were carried by a large majority.

It was afterwards remitted to the directors to frame a petition to the House of Commons in accordance with the resolutions.

TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month and eleven months ended the 30th November, were issued on the 30th December, and may on the whole be regarded as satisfactory, although the amount of exports is not quite so large as in the corresponding month of last year: but the chief falling off has been, as for the first two or three months, in cotton yarn and cotton manufactures. The total declared value of exports for the month of the present year was £12,065,213, against £12,758,323 in 1863, and £9,761,510 in 1862, being a decrease of £693,110 as compared with the former period, but an increase of £2,303,703 over the latter. For the eleven months of the present year the total was £148,340,865 against £132,135,368 in 1863, and £113,280,779 in 1862; being an increase over 1863 of £16,205,497, and of £35,060,086 as contrasted with 1862. With regard to exports, the articles which show an increase are alkali, beer and ale, coals and culm, linen manufactures, and seed oil; but there has been a decrease in arms and ammunition, cotton yarn, cotton manufactures, earthenware, haberdashery and millinery, hardware and cutlery, linen yarn, iron and steel, thrown silk, silk manufactures, woollen yarn, and woollen manufactures. With respect to imports, there has been an increase in raw cotton, cotton manufactures, hemp, leather manufactures, saltpetre, flaxseed and linseed, wool, cocoa, coffee, and sugar. On the other hand, there has been a falling off in raw silk, tallow, spirits, tea, tobacco, and wine. As regards cereals, there has been an increase in the importation of oats, peas, and Indian corn; but a decrease in wheat, barley, beans, and wheat meal, and flour. In the case of provisions, salt beef and butter present an increase; but in bacon and hams, salt pork, cheese, eggs and lard, there has been a decline. The annexed tables exhibit the variations in the several articles enumerated:—

EXPORTS.

	1863.	1864.
Coals and culm tons	661,823	773,395
Cotton manufactures yards	145,146,046	130,357,252
Cotton yarn lbs.	6,027,857	5,905,356
Haberdashery and millinery value £	407,301	333,830
Linen manufactures yards	15,635,189	17,493,401
Linen yarn lbs.	3,133,095	2,685,513
Iron, pig tons	33,699	41,109
Ditto, railway "	26,864	27,976
Copper, unwrought cwts.	13,726	11,057
Ditto, sheets, nails, &c. "	51,507	72,567
Oil, seed gallons	507,289	761,951
Silk manufactures value £	111,604	84,440
Ditto, thrown lbs.	38,030	28,269
Spirits, British gallons	326,590	123,321
Woollen cloths, &c. yards	2,112,501	1,898,240
Woollen and worsted yarn cwts.	2,770,365	2,369,502

IMPORTS.

	1883.	1884.
Cocoa lbs.	160,570	476,844
Coffee "	6,619,232	8,190,574
Wheat cwts.	1,916,763	1,879,798
Wheat, meal, and flour "	464,355	225,740
Cotton, raw "	494,726	621,100
Flax "	92,112	79,048
Hemp "	86,515	100,503
Hides, tanned, &c. lbs.	423,847	539,319
Leather manufactures pairs	755,466	807,780
Butter cwts.	77,190	97,887
Cheese "	77,602	74,137
Flax-seed and linseed qrs.	64,973	129,798
Silk, raw lbs.	884,429	686,737
Silk, thrown "	6,858	1,891
Silk manufactures "	173,667	144,393
Spirits gallons	695,981	239,858
Sugar, unrefined cwts.	345,650	909,979
Tallow "	220,281	123,385
Tea lbs.	13,705,992	11,812,585
Tobacco "	10,225,384	6,053,870
Wine gallons	1,161,906	903,507
Wool lbs.	9,960,629	15,777,105
Woollen manufactures... .. value £	110,946	93,299

THE ALLIANCE FINANCIAL COMPANY.

THE Alliance Financial Company, Limited, propose to raise £100,000 in 5,000 shares of £20 each, with power to increase to £1,000,000. The object is to assist builders, contractors, and others, by making temporary advances to, and guaranteeing them in the performance of contracts, works, and other obligations, on payment of a moderate premium on the amount guaranteed, the rate of premium being regulated by the risk in each case.

THE UNITY JOINT STOCK MUTUAL BANKING ASSOCIATION.

It appears that the directors of this bank have become antagonistic to the committee of liquidators with reference to the prosecution of Messrs. Terry and Burch, the manager and secretary. It seems that the liquidators in the fulfilment of their duties deemed it right, not only to the shareholders, but for the public interest, that such a prosecution should take place, and the result of preliminary investigations before the Lord Mayor will be found recorded in another part of our present number. To carry out the prosecution heavy expenses would have to be incurred, and the liquidators very naturally propose that they should be defrayed from the funds of the

Company, but this has been objected to by the board of directors, some of whom would doubtless have to appear as unwilling witnesses at the forthcoming trial at the Central Criminal court, and they have accordingly just held a meeting at which the following resolution was passed, "That in the opinion of this board the application of the assets of the company in the proposed prosecution of Terry and Burch without the previous sanction of the shareholders is improper, and that, in the absence of such sanction, this board decline to be answerable for the costs of such prosecution, or to sanction the application of the assets of the company towards the same," and in order to prevent the necessary funds being so obtained they also passed the annexed resolution:—"That the resolution of the 17th of March, 1864, whereby it was resolved that no cheque be drawn unless by order of the board, such drafts to be signed by not less than two of the liquidators, and countersigned by Mr. Howell, the accountant, be and the same is hereby rescinded, and that henceforth all cheques be signed by three directors of the company and countersigned by the secretary." The directors have also called upon the committee of shareholders to forthwith restore to the board the seal of the company, and the various books of account and papers now under the control of the said committee. And so the matter stands at present.

THE UNITY BANK INVESTIGATION.

THE CHARGE OF CONSPIRACY AGAINST THE MANAGER AND SECRETARY.

In *The Banker's Magazine* for December we gave an abstract of the proceedings at the Mansion House before the Lord Mayor, with regard to a charge preferred against Mr. Joseph Wakefield Terry, of Albert Terrace, Wandsworth, and Mr. Thomas Burch, of Edmund Square, Kensington, the former the manager and the latter the secretary of the Unity Bank, for unlawfully circulating and publishing a balance-sheet of the affairs of the said company up to the 30th June, 1862, they then well-knowing the same to be false, with intent thereby to deceive and defraud the members and shareholders of the said company.

Mr. Lewis, jun., attended on behalf of the prosecution; Mr. Sleigh defended Terry, and Mr. Metcalfe was for Burch.

As previously stated, the examination had then extended over five days, and it was not till six other adjournments had taken place that the investigation was brought to a close on the 14th January.

It would be quite impossible to enter into the details of the evidence adduced, and this is rendered the more unnecessary as the charge against the defendants is about to undergo a further investigation at the Central Criminal Court. The inquiry before the Lord Mayor took a very extensive range, embracing the whole period during which the defendants held their respective positions. The chief witness to prove the case was Mr. Oswald Howell, the accountant to the liquidators, who went over an immense mass of figures, the result of which clearly demonstrated that the Bank was in

an insolvent position at the time the defendants were issuing balance sheets which would lead to the inference that it was in a most flourishing state.

The other witnesses examined were Mr. Alderman Mechi, the chairman of the bank, Mr. L. Richard Sykes, one of the branch managers; Mr. Kench, a shareholder; Dr. John Henry Cook, also a shareholder; Mr. the chairman of the committee of liquidation; Mr. George Lewis Philip Eyre, a director, and several other gentlemen connected with the bank. The evidence of Mr. Alderman Mechi was certainly the most important. He endeavoured to show that the directors had been most attentive to their duties, regularly investigated all the accounts, and left nothing undone that should be done by a board of directors; they were, however, deceived through the great confidence reposed in their manager. Mr. Alderman, however, was subjected to one of the most rigid cross-examinations it was possible for any witness to undergo, both by Mr. Sleigh and Mr. Metcalf, in the course of which it was made apparent that great laxity existed as to the manner in which the business was conducted.

At the close of the evidence, the Lord Mayor having intimated that the case would be sent to a higher court for further investigation, the learned counsel for the defendants intimated that they should reserve their client's defence for a future occasion.

Mr. Lewis said that was the case on the part of the prosecution, and should ask the Lord Mayor to commit the defendants upon four charges: first, for conspiring to publish and represent to such of the shareholders as were ignorant of the affairs of the Unity Joint-Stock Banking Association that the bank and its affairs had been, during the half-year preceding the 30th June, 1862, and then were, in a sound and prosperous condition, producing profits divisible amongst the shareholders, the defendants knowing the contrary, with intent to deceive and defraud such of the shareholders as were not aware of the true state of its affairs, and to induce them to continue to hold shares therein, and to become or continue customers and creditors of the bank; secondly, that they, being respectively the manager and secretary of the said bank, did concur in making, and circulating, and publishing a written statement of accounts, knowing the same to be false in material particulars, with intent to deceive the shareholders of the said bank; thirdly, conspiring together to commit the offence; and fourthly, conspiring together to cheat and defraud such of the shareholders as were ignorant of the true state of the bank by inducing them, by false pretences, to purchase and hold additional shares in the bank, the defendants knowing the bank to be in a bad and dangerous condition, and approaching insolvency, and that the shares were unsafe, and might be ruinous to the holders.

The Lord Mayor, addressing the defendants, said they had been placed in positions of great trust and confidence, and he was sorry to find that a strict line of rectitude had been departed from, and it was quite obvious that a false balance-sheet had been made, and he had but one duty to perform, which was to commit the defendants for trial.

After having received the usual caution, the defendants were formally committed, and were admitted to bail in a total sum of £8,000, as before.

TENDERS FOR BILLS ON INDIA.

biddings for 30,00,000 rupees in bills on India took place on the 4th January, at the Bank of England. The proportions allotted were—to Calcutta, 17,33,000 rupees; to Bombay, 12,00,000 rupees; and to Madras, 9,67,000 rupees. The *minimum* price was, as before, 1s. 11½d. on Calcutta and Madras; and 1s. 11¾d. on Bombay. The applications within the day amounted to 71 lacs. Tenders on Calcutta and Madras, at 1s. 11¾d., received about 7 per cent., and on Bombay at 2s. about 76 per cent.; and these prices in full. Further biddings for 30,00,000 rupees took place on the 18th January. The proportions allotted were to Calcutta 17,33,000 rupees, to Bombay 12,00,000 rupees, and to Madras 9,67,000 rupees. The *minimum* price was as before, 1s. 11½d. on Calcutta and Madras, and 1s. 11¾d. on Bombay. Tenders on Calcutta and Madras at 1s. 11¾d. will receive in full, and on Bombay at 1s. 11¾d., about 13 per cent.; above these prices in full.

THE CAPE OF GOOD HOPE LOAN.

Tenders for the Cape of Good Hope loan for £234,000 were opened on the 17th January. A total of £295,000 was offered at prices ranging from 90 to 105. The *minimum* price was 90. The tenders for and above 90s. 6d. received the amount in full; those below were rejected. The principal tenders were from Messrs. J. and A. Scrimgeour, £234,000 at 91s. 0s. 6d., and Messrs. Linton and Clarke, £25,000 at £93. 5s. to 5s.

Communications.

To the Editor of the "*Bankers' Magazine*."

PAYMENT OF CROSSED CHECKS.

Dundee, 28th January, 1865.

SIR,—Having for years admired the manner in which all communications are answered in your excellent magazine, I take the liberty of asking attention about which, in Scotland, there seems a great diversity of opinion, viz.:—If cheques crossed to any particular bank require to be cashed by said bank; or would it suffice that they were endorsed by any bank by whom they may be received?

In answering the above, you will much oblige,

Your obedient servant,

A BANKER'S CLERK.

[According to the rule observed, a cheque crossed to any particular bank may be paid through that bank.]

ISSUE OF NOTES.

SIR,—I shall feel obliged by your favouring me with your opinion on the following in your next number :—

A branch bank, duly licensed to issue notes, has a sub-office, or agency in a neighbouring village. Can the branch notes be legally issued at the agency without a separate license; and if not, what would be the penalty for so doing?

W. C.

[A separate license is required, and the per centage will be the same charged at the branch.]

GRATUITIES TO BANK CLERKS.

THE Commercial Bank of Scotland has, by circular of 21st current, ordered payment of a gratuity of 10 per cent. upon their salaries, to the different officials at the branches. Such a course is very satisfactory.

WE understand that the directors of the York City and County Bank have presented to each of their officers and clerks a bonus of 10 per cent. on their salaries for the past year.

MESSRS. BACON, COBBOLD & Co., of the Ipswich Bank, at the close of the past year generously presented to each of their clerks at Ipswich and Woodbridge the handsome gratuity of 10 per cent. on their respective salaries.

Estates of Failed Firms.

THE ESTATE OF MESSRS. EYLES, EVANS, HANDS, & WELLS.

THE adjourned meeting of the creditors of Messrs. Eyles, Evans, Hands and Wells was held on the 29th December, and was fully attended. After a lengthened discussion as to the liabilities and the probable result of the liquidation, which was fully explained by Mr. White, the accountant, it was unanimously resolved to accept a composition of 11s. in the pound, at four, eight, and twelve months.

THE ESTATE OF MESSRS. GRUNDLER, ORMOND, & CO.

THE meeting of the creditors of Messrs. Grundler, Ormond, and Co., who had recently failed, was held on the 31st December. The statement of accounts was submitted and fully explained by Mr. F. M. Mullaly, the

accountant. At the close of the proceedings it was resolved to wind up the estate under a deed of assignment. A dividend of about 7s. in the pound is expected to be realised.

THE ESTATE OF MESSRS. JOHN NATHAN & SONS.

AN adjourned meeting of the creditors of Mr. John Nathan and Mr. Louis John Nathan, trading as Messrs. John Nathan and Sons was held on the 16th January, when it was agreed to accept a composition of 6s. in the pound, spread over four, eight, twelve, and eighteen months, the last two instalments secured. The house was an old established one, and the present deficiency has principally arisen through losses on consignments. The debts and liabilities, according to the statement of Messrs. Chatteris and Nichols, accountants, represent £62,900, and the direct assets, £6,949. There are other amounts outstanding: £13,413 at Dunedin, New Zealand; £8,186, balance of miscellaneous consignments; and £14,303, shipments to the Confederate States. Of course it is problematical what any of these will produce.

THE ESTATE OF MESSRS. CUADRA, ENCISO, & CO.

A MEETING of the creditors of Messrs. Cuadra, Enciso, and Co., took place on the 17th January, when a statement was submitted by Mr. Hart, of Messrs. Hart Brothers and Hayles, showing debts and liabilities of £93,133, and assets, including claims upon La Industrial and Saens de Santa Maria, £99,800. An opinion was expressed that 20s. in the pound may be ultimately realised. A resolution was passed to wind up the estate under inspection.

THE ESTATE OF MESSRS. REID, IRVING, & CO.

THE following circular has been issued by Messrs. Reid, Irving, and Co., in connection with the liquidation of that estate. It will be read with interest, and shows what exertions have been used to effect this winding up, which on the whole must be considered to have terminated more favourably than was at one time anticipated.

“2, Gresham-place, Lombard-street, London,
31st December, 1864.

“Sir,—With reference to our last circular of 1st October, 1863, we have now to inform you that the sale of the Barritt estates, in Jamaica, on which we held mortgages, took place on the 8th March last. They were all sold then and subsequently, under the direction of the Court of Commissioners for the Sale of Encumbered Estates in the West Indies, but the prices obtained were insignificant compared with their value at the time when our connection with them began. This result, though much to be regretted, was not unexpected, as all Jamaica property has become similarly depreciated. The Court has not yet formally decreed the distribution of the proceeds, but from close investigation it appears that the portion coming to us will only about suffice for the purchase of an annuity for the life of Miss Barritt, which is chargeable upon it.

"We have received a final remittance from our property and claims Mauritius, and the liquidation being thus virtually closed, we have announce a final dividend of 8d. in the pound (making in all 10s. 2d. which will be payable on and from the 12th January next, from eleven to two o'clock, Saturdays excepted.

"That the large mass of assets shown by our statement in 1847 should not have produced more is a cause of deep sorrow to us. To the kindness and forbearance of our creditors we are indebted for having been able to persevere for seventeen years in the patient realisation of colonial property, depressed beyond precedent by Imperial legislation, and to reap the fruit of its partial recovery.

"In this we have been assisted to a most important extent by the perseverance and great talent of our agent in Mauritius, Mr. Currie, without which, it is not too much to say, we should have had to witness the entire wreck of that asset.

"Our special thanks are due to our inspectors, Mr. Baring and Mr. Blyth, whose advice and countenance, together with that of the late Mr. M'Chlery, have been most valuable, and have been continued to us throughout the liquidation of time.

"The liquidation at home has been conducted with admirable efficiency by our friend, Mr. Ebsworth, to whom we feel deeply indebted for the most important and able assistance.

"We append a summary of the accounts (the details of which are open for examination), showing a small surplus for law expenses and other claims not yet ascertained, as well as for the continued expenses of the liquidation, which (apart from charges not incidental thereto) has not exceeded $4\frac{1}{2}$ per cent. on the amount collected.

"We are, Sir, your obedient servants,

"REID, IRVING, AND CO."

Summary of Accounts.

RECEIPTS.

Proceeds of various sugar estates and produce, with sundry debts collected in Mauritius	...	...	...	...	...	...	...	...	£275,904 8
Idem, West Indies	...	...	...	...	...	...	...	...	17,658 10
									£293,562 19
Sundry bills receivable and claims recovered, £86,225. 9s. 3d.;									
Produce realised, £25,986. 14s. 1d....	...	...	...	...	...	...	...	...	£112,212 3
Interest on exchequer bills and money at call	...	...	...	...	...	...	...	...	4,487 19
									£410,263 1

DISBURSEMENTS.

Amount of dividends declared to date, at 9s. 6d. in the pound, including reserve for unclaimed dividends, £361,923. 3s. 7d.; claims satisfied, and debts under £20, £3,681. 17s. 5d.; allowance to partners to December 31st, 1850, £3,750; salaries to clerks, rent, taxes, stamps, &c., £5,756. 11s. 11d.; law and accountants, £4,304. 16s. 4d.; liquidation expenses from 1st January, 1851, £7,000	...	...	...	...	...	...	...	...	£386,416 9
									£23,846 19

Yielding a dividend of 8d. per £ upon the present claims of £696,248. 13s. 6d., reduced from the original amount of £848,791. 8s. 3d....	23,208	5	6
Leaving a surplus of	638	7	0
With an unrealised amount, consisting of a life policy for £1,000, of which the office value is	600	0	0
To meet contingent expenses	£1,238	7	0

THE ESTATE OF MESSRS. JAMES LUNHAM & CO.

At the meeting on the 26th January of the creditors of James Lunham and Co., wholesale cheesemongers and provision agents, who failed on the 11th, with liabilities for £200,061, Mr. Grainger in the chair, the assets were stated to represent only £71,373. According to the representations of the accountants employed, the total deficiency upon three years' trading amounted to £290,000. There were liabilities on bills to the extent of £98,590; bad and doubtful debts, £24,157; bad debts already written off, £45,680; drawings, £5,392; and brokerage charges, &c., for the three years, amounting to £41,783. An offer of 7s. in the pound was made, and a committee of investigation was proposed. A creditor was greatly surprised at the large deficiency in the accounts, and the chairman expressed an opinion that Mr. Lunham ought to make a better offer. Considerable discussion ensued, and, in reply to a creditor, Mr. Linklater observed that he did not know whether the observation of the chairman, that he would rather have 2s. 6d. in the pound in bankruptcy than 7s. in composition, was the feeling of the meeting, but that he could assure them bankruptcy had no terrors for Mr. Lunham or his family. No possible advantage would be gained by forcing a bankruptcy. The real question at issue, in his opinion, was how to realize for the creditors the greatest sum from the estate with as little delay as possible. The chairman thought that there should be a declaration of insolvency or an assignment; and, after some further debate, a committee was appointed to investigate the accounts, with discretionary power to use or not a declaration of insolvency, to be signed by Mr. James Lunham, and placed in the hands of the accountants.

Reviews.

Bank Audits—The Practicability of a thorough independent system considered.—By HENRY FISHER, manager at Wolverhampton of the Midland Bank. Dedicated to Edward Baines, Esq., M.P. London: SIMPKINS, MARSHALL & Co.

THE writer is well known for his views on bank audits. He has, indeed, contributed to the pages of the *Bankers' Magazine* on the subject, and the present pamphlet appears to be an amplification of what he has before advanced on the point. If Mr. Baines shall introduce the question

into Parliament, he will be well fortified by the facts and arguments which Mr. Fisher brings under his consideration. The matter shortly command attention.

The Joint-Stock Companies' Directory for 1865.—By CHARLES BARNES & SONS, Birchin Lane. Messrs. GROOMBRIDGE & SONS, Patern Row.

THIS book, which is well got up and arranged, supplies a want that has been felt for several years. No guide whatever has existed to the various companies, including Railway, Assurance, Banking, Credit and Finance, Shipping, and miscellaneous; but separate volumes have from time to time appeared, giving in ordinary form the class of information alluded to. Here we have the matter brought altogether without the endless repetition with which some of these volumes are encumbered. The type is large and readable, the arrangement clear for reference, and as a desk dictionary must prove most valuable to bankers, merchants, lawyers, the directors of public companies, and even professional promoters. In looking through the contents one is struck with the marvellous number of enterprises that have been encouraged during the last two years, the extraordinary amount of capital subscribed, and the great strides "limited liability" has made among the public. A good deal of the money thus collected will be sacrificed, but it is at the same time evident that joint-stock association is superseding the old plan of private partnerships; where it will succeed is difficult to imagine, though it seems quite certain that with more success the reduced rate there will still be an increase of these undertakings. Every volume will consequently every year become more useful, and if carried out in the spirit with which it has been commenced, it must speedily become a standard work of reference.

CHANGES IN BANKING AND MERCANTILE FIRMS.

THE following changes in banking and mercantile partnerships took place with the commencement of the year:—

Mr. Pascoe Charles Glyn has been admitted a partner in the firm of Messrs. Glyn, Mills, Currie and Co.

Mr. Frederick Drummond has joined the firm of Messrs. Drummond & Co. Messrs. Thomson, Finlay and Co., of Liverpool, join Messrs. F. Hodgson and Co., of London. The names remain unchanged, but the interest in the two firms are identical.

Messrs. Browne, Van Santen and Co., of Liverpool, have opened business in London, under the style of Messrs. Browne, Van Santen and Gau.

Mr. Edward Lazard, of Moorgate Street, having obtained the requisite assistance from his friends, has recommenced his business as a foreign banker, under the style of Messrs. Edward Lazard and Co.

Messrs. Backmeister and Osten have admitted Mr. H. Palmer as a partner, who has been for some time entrusted with their procuration. The business is now carried on under the title of Messrs. Backmeister, Osten and Stone.

Messrs. Bieber and Co. have announced that owing to the death of Mr. V. A. Bieber, his interest in the firm has ceased.

Messrs. Wallace Brothers, of Austin Friars, have admitted Mr. Richard Wallace, late of Messrs. Wallace and Co., of Bombay, as a partner in that firm.

Mr. Dennis Madden retires from the firm of Messrs. Bates, Stokes and Co., of Liverpool, and Mr. Henry Stokes and Mr. Alexander Mickinlay have been admitted partners.

Messrs. W. D. Tomlinson and Co., of Liverpool, have admitted as a partner in that firm, Mr. Francis R. P. Tomlinson, who has for some years taken an active part in the business.

Messrs. Lemonius and Co., of Liverpool, have announced that Mr. William Wallace having resolved to withdraw from commercial pursuits, Mr. Julius Edward Lemonius and Mr. Colin John Macdonald have joined the firm.

Messrs. Abenheim Brothers have commenced business as commission merchants in Gresham Street.

Mr. John Cookes, shipbroker, in the Cape of Good Hope trade, has retired from business, and is succeeded by his nephew, Mr. John Browne, as principal acting manager.

The firm of Middlemist and Hammond, licensed lightermen and custom-house agents, is dissolved; Mr. Hammond retiring. Messrs. Perkins and Homer, of Water Lane, have amalgamated their business with that of Mr. Middlemist, which is now carried on under the style of Messrs. Middlemist, Perkins and Homer, Lower Thames Street.

The partnership between Mr. Edward Shorthouse and Mr. S. J. Scott, copper and general metal agents, of Birmingham, having been dissolved, Mr. S. J. Scott will continue business on the same premises, under the title of Messrs. S. J. Scott and Co.

The liquidation of the old estate of Messrs. Simpson and Co. having been satisfactorily arranged for, Messrs. Simpson Brothers and Co., with the assistance of friends, now carry on the business.

Messrs. Cutler, Palmer and Co., of Mark Lane, announce the retirement of the senior Mr. Cutler, and the accession, as partners, of Mr. John Treacher, Mr. James Robertson Turnbull, Mr. Frederick Frank Egerton Cutler and Mr. R. Gray Cobham.

Mr. A. J. Allen has retired from the firm of Messrs. Nichols, Allen and Allen, and has joined Messrs. David Satow and Co., of Idol Lane. Mr. Nichols and Mr. L. P. Allen now carry on the business of the former as Messrs. Nichols and Allen, by which designation they were for many years known.

Mr. Henry Worms, has been admitted a partner in the firm of Messrs. G. and A. Worms.

MONTHLY CHRONOLOGY.

December 29.—Suspension announced of Messrs. Johan, Holm and Co. of Stockholm, merchants.

January 10.—The directors of the Bank of Holland reduced their rate of discount from $5\frac{1}{2}$ to 5 per cent.

11.—Suspension announced of Messrs. James Lunham & Co. of the Borough, provision merchants, liabilities about £300,000.

12.—The directors of the Bank of England reduced the rate of discount from 6 to 5½ per cent.

14.—Stoppage of Messrs. J. Scholefield and Son, of Mosely, cotton spinners, with £45,000 liabilities.

16.—Announcement of a new Italian loan of £8,000,000 in a 5 per cent. stock, at the price of £77. 10s.

16.—Suspension of Messrs. Halfhead, Fletcher & Co., of Liverpool, the timber trade.

16.—Failure of Messrs. Edmund, Thompson & Co., of Liverpool, Australian merchants, with debts amounting to £60,000.

17.—Stoppage of Mr. Bennett, of the Oldbury Iron Furnaces, South Staffordshire, with liabilities extending to between £60,000 and £70,000.

24.—Suspension of Messrs. Southgate & Barrett, of Fleet Street, book auctioneers.

24.—Stoppage of Messrs. Eccles, Cartwright & Co., of Liverpool, the cotton trade. Liabilities supposed to be large.

26.—The directors of the Bank of England further reduced the rate of discount from 5½ to 5 per cent.

26.—The directors of the Bank of Holland, also further reduced the rate from 5 to 4½ per cent.

MERCANTILE SUSPENSIONS.

The following suspensions have been announced during the past month:

Messrs. Johan, Holm & Co., Stockholm, Merchants.

Messrs. James Lunham & Co., Southwark, Provision Merchants.

Messrs. J. Scholefield & Co., Moseley, Cotton Spinners.

Messrs. Halfhead, Fletcher & Co., Liverpool, Timber Trade.

Messrs. Edmund Thompson & Co., Liverpool, Australian Trade.

Mr. Bennett, Oldbury, Iron Merchant.

Messrs. Southgate & Barrett, London, Book-Auctioneers.

Messrs. Eccles, Cartwright & Co., Liverpool, Cotton Trade.

BANKING OBITUARY.

On the 21st January Mr. John James Cowens, aged 37, clerk in the Bank of England.

BANK MOVEMENTS.

The Gloucestershire Banking Company have opened a branch of their establishment at Monmouth, under the charge of Mr. Henry R. Luckes, their Bristol manager.

Mr. A. Thomson, the manager of the London office of the Alliance Bank, has tendered his resignation, having taken the post of manager of the Bombay branch.

of the Bank of Hindustan, China and Japan, his resignation having been accepted, Mr. U. Miller and Mr. E. S. Parkes have been appointed *pro tempore* acting managers of the Alliance Bank.

The directors of the Asiatic Banking Corporation propose to increase the paid-up capital of the bank from £500,000 to £1,000,000, by an issue of 25,000 new shares of £20 each. It is stated that it has been necessary to augment the capital, owing to the great success of the bank; for although it has only been a short time in operation, the deposits already considerably exceed £3,000,000.

A circular has been addressed to the shareholders of the London and Venezuela Bank, showing the progress made. It is stated that the available capital of the bank is placed at the disposal of the Caracas directors, and is being safely employed at a minimum rate of 12 per cent. per annum. The want of proper banking facilities has been greatly felt in Venezuela, both by the commercial and agricultural interests, and more particularly of late in consequence of the immense annual increase in the cultivation of cotton. Pending the arrangements for commencing business in Caracas, they have, by prudent management of the small capital hitherto raised, made sufficient profit to cover all the current expenses of the London office to the 31st of December.

Monetary Intelligence.

MONETARY REVIEW FOR THE MONTH OF JANUARY.

THE prospects of the money-market have been decidedly more favourable. The course of the present month the rate of discount has been reduced first from 6 to 5½, and then from 5½ to 5 per cent. The effect of this has been satisfactory, but it has not created an extension of speculation. An Italian loan has been brought out, but it has not proved a success, and one or two companies have followed which have secured their subscriptions. It, however, cannot be imagined at present that there is the slightest prospect of a general revival in stocks and shares. Business is restricted, with great dulness in the produce markets, which will continue till the spring is more advanced. An impression prevails in many quarters that we shall have money rather lower, though it is not believed even 4½ per cent. will lead to any fresh expansion. The lessons of the past six months are not yet forgotten, nor will they be for some short period to come. The rates in Lombard Street for first-class paper are about 4½ to 5 per cent. The bankers and brokers now allow 4 per cent. for money at call; 4½ for seven days' notice, and 4½ per cent. for fourteen days. Our space is so fully occupied with the bank and other reports that there is scarcely room for anything else.

Consols have not varied much this month; foreign stocks have fluctuated, but not to any serious extent. The rise has been in Turkish Consolidated in consequence of rumours of a new loan. The Spanish fever has subsided.

Railway shares appear strong on the prospects of dividends. Some fluctuations have taken place in bank shares through the discussions at the meetings. The tendency is likely to improvement. Since the meetings of the finance companies have been concluded, the prices have become weaker.

THE GRAIN TRADE.

THERE has been very little activity displayed in the grain trade during the past month. Wheat has only been in retail demand, and the samples brought to market have generally been in good condition, whilst the supplies from abroad have been equal to the demand, consequently prices do not show any considerable improvement. Barley has been in fair demand and the value has been well supported. For other descriptions of grain there has been only a moderate inquiry, and without any material alteration in prices. The latest official average quotations were:—Wheat, 38s. 10d.; barley, 28s. 9d.; and oats, 19s. 1d. per qr.

The Gazette returns for England and Wales have been:—

Week ending, 1864.	Wheat. Qrs. sold.	Weekly Average. s. d.	Duty. s. d.	Correspondence Six Weeks Last Year s.
Dec. 24	99,355	37 10	1 0	39
„ 31	89,022	37 10	1 0	40
1865.				
Jan. 7	63,806	38 2	1 0	39
„ 14	86,286	38 7	1 0	40
„ 21	78,214	38 10	1 0	40

The importations since the harvest of 1864 have been:—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Twenty-two weeks ended 17th Dec....	9,144,129	11,091,324	20,235,453
Five weeks ended 21st Jan. ...	776,760	1,833,694	2,610,454
	9,920,889	12,925,018	22,845,907
And the weekly averages have been:—			
Twenty-two weeks ended 17th Dec. ...	415,000	504,000	919,000
Five weeks ended 21st Jan. ..	155,000	367,000	522,000
	Less 260,000	137,000	397,000

STATE OF TRADE.

THE state of trade is rather better in some localities, but at present the sympathies of general revival are rather remote.

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February and August, instead of formerly in May and November. This has been rendered necessary by the great increase in the meetings of the Banks and Discount Companies, which will be always carefully collected in the pages of the *Bankers' Magazine*. We shall also give the proceedings of the various Credit and Finance Companies as they are more or less associated with banking, so that our subscribers and readers can refer to them without difficulty. Correspondents will please forward communications addressed to the Editor, No. 8, Birch Lane; subscriptions and orders as usual to Messrs. Groombridge and Sons, Paternoster Row, or Messrs. Waterhouse and Sons, Carpenters' Hall, London Wall.

BANKING AND FINANCIAL ANECDOTES.—It will be perceived from notice elsewhere, that the Editor of the *Bankers' Magazine* is collecting and arranging a series of Banking and Financial Anecdotes. Any contributions from subscribers and readers of the *Magazine* will be thankfully received, particularly if the subject-matter shall not have previously appeared in print. Nothing personal or offensive will receive publicity.

BANK OF FRANCE. DEBTOR.

	December 29.		January 5.		January 12.		January 19.		January 26.	
	F.	C.	F.	C.	F.	C.	F.	C.	F.	C.
Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
Admission to Art. 8, Law (1867) ...	6,923,915	8	6,943,047	76	6,959,526	9	6,974,128	93	6,987,142	42
the Bank branches ...	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
extended pro- vision ...	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
circulation ...	726,212,275	0	790,536,025	0	806,325,075	0	817,443,275	0	808,283,925	0
to order payable ...	7,427,596	1	5,456,412	53	7,223,278	2	5,462,361	77	5,596,403	33
current cur- rency ...	122,312,552	55	89,690,497	98	91,374,473	44	89,123,492	50	89,601,463	86
Paris ...	146,645,897	84	159,787,156	64	130,801,679	44	116,860,164	66	116,666,715	37
banks ...	24,675,970	0	30,700,975	0	22,396,705	0	25,290,796	0	22,456,293	0
payable ...	14,222,805	75	16,163,965	75	8,971,645	75	6,185,655	75	4,447,856	75
and sundry ...	789,981	57	2,000,373	91	2,599,035	12	3,182,941	39	3,610,678	80
of the last ...	2,789,444	5	2,789,444	5	2,789,444	5	2,789,444	5	2,789,444	5
... ..	9,703,947	67	25,818,235	42	17,808,123	22	16,968,906	68	12,431,737	72
al	1,270,310,135	86	1,338,572,487	18	1,305,844,335	27	1,298,856,919	86	1,281,477,410	49

CREDITOR.

	December 29.		January 5.		January 12.		January 19.		January 26.	
	F.	C.	F.	C.	F.	C.	F.	C.	F.	C.
and cash ...	359,969,767	16	330,071,913	14	314,771,593	40	318,170,084	41	322,119,477	73
bank bills over- due ...	629,025	59	1,654,647	53	796,718	29	1,041,343	54	2,630,867	13
and bills dis- counted but not due ...	303,539,895	33	359,616,362	85	344,321,315	78	339,028,819	72	325,911,784	25
bank bills ...	293,317,935	0	330,512,897	0	333,369,594	0	328,092,595	0	316,867,453	0
on deposits ...	15,675,431	55	15,541,431	55	14,743,431	55	14,846,431	55	14,694,031	55
banks ...	4,955,184	0	4,846,984	0	4,611,910	0	4,394,610	0	4,081,210	0
branch public ...	15,079,800	0	15,390,300	0	15,011,600	0	14,968,100	0	14,731,600	0
branch banks ...	7,931,350	0	8,473,150	0	9,405,150	0	9,534,500	0	9,375,900	0
away shares ...	26,743,900	0	27,364,300	0	28,483,100	0	28,344,900	0	28,167,500	0
branches ...	17,250,550	0	17,852,800	0	18,191,150	0	18,468,050	0	18,315,950	0
ditto Foncier ...	534,800	0	545,500	0	541,200	0	524,503	0	521,300	0
... ..	401,950	0	368,600	0	402,450	0	399,750	0	355,650	0
State (Com- mune in, 1867) ...	60,600,000	0	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
stock re- deemed ...	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14
... ..	36,696,737	91	36,696,737	91	36,696,737	91	36,696,737	91	36,696,737	91
immobilized ...	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
Art. 9, 1867) ...	8,382,592	0	8,380,692	0	8,388,991	0	8,389,142	0	8,397,442	0
of property ...	3,759	6	6,897	75	30,138	50	36,821	15	44,720	70
of manage- ment ...	5,916,711	18	8,369,723	31	3,093,504	70	2,949,504	44	5,585,036	8
al	1,270,310,135	86	1,338,572,487	18	1,305,844,335	27	1,298,856,919	86	1,281,477,410	49

FLUCTUATIONS IN ENGLISH AND FOREIGN STOCKS RAILWAY SHARES.

	Price on Dec. 28th.	Highest.	Lowest.
ENGLISH FUNDS.			
Consols	89½ to 90½	90½	89½
Exchequer Bills	par to 3pm	5 pm	par
FOREIGN STOCKS.			
Brazilian	100½	100½	99½
Buenos Ayres	—	95	94
Chilian	—	101½	100½
Dutch 2½ per cents.	—	64½	63½
Mexican	29½	29½	29½
Peruvian 4½ per cents.	—	85½	80½
Russian	—	91½	88½
Spanish	49½	49½	48
Turkish 6 per cents.	89½	90½	88½
Ditto 4 per cents.	100½	101½	100½
RAILWAY SHARES.			
Brighton	105½	109½	105
Caledonian	133½	133½	131
Great Eastern	48	48½	47
Great Northern	135½	137½	134
Great Western	80	81½	79½
Lancashire and Yorkshire	117	117½	116
London and North Western... ..	121½	122½	121½
Midland	141	141½	138
North Staffordshire	80	80½	79
South Eastern	85½	87½	85½
South Western	98½	99	97½
York, Newcastle, and Berwick	115½	115½	113½
York and North Midland	105½	106	103½
East Indian	104½	107	100½
Northern of France	—	41½	40

CREDIT, FINANCE AND DISCOUNT COMPANIES.

	Share.	Paid.	London latest Prices.		Share.
Australian Mortgage, Land and Finance (Lim.)	25	3	3½	International Contract	50
Consolidated Discount (Lim.)	50	10	6	International Land Credit	25
Contract Corporation (Lim.)	100	5	4½	Joint Stock Discount (Lim.)	25
Crédit Foncier of Mauritius (Limited)	50	10	7½	Land Credit of Ireland	50
Crédit Foncier and Mobillier of England	20	5	8½	Land Securities	50
Ditto	20	2	5½	London Financial Association (Lim.)	50
Discount Corporation (Lim.)	100	17½	14	Ditto, New	50
East India Financial	50	7½	5½	London Mercantile Discount Mauritius Land, Credit and Agency (Lim.)	20
Egyptian Commercial and Trading	20	4	5½	National Discount Co. (Lim.)	25
English and Foreign Credit Financial Corporation	100	1½	½	National Financial (Lim.)	50
Financial Discount (Lim.)	50	10	1	Oriental Financial	50
General Credit and Finance of London (Lim.)	25	4	6½	Ottoman Financial Association (Lim.)	50
International Financial Society (Lim.)	20	5	7	Société Financière d'Égypte (Lim.)	25
Imperial and Mercantile Credit (Lim.)	50	5	5	South African Mortgage and Investment (Lim.)	50
				Warran Finance (Lim.)	50

JOINT-STOCK BANKS.

	Share.	Paid.	London latest Prices		Share.	Paid.	London latest Prices
£	£	£	£	£	£	£	£
Am. and Masterman's, Limited ...	100	50	12	London Bank of Scotland (Lim.) ...	100	13	9
Am. New, issued at 30 pm. ...	50	25	62	London and Brazilian Bank ...	100	40	46
Am. New, issued at 30 pm. of each £30 is paid ...	50	25	61	London, Birmingham & Stth. Staffordshire (Limited) ...	100	22	16
Am. ...	50	5	3	London, Buenos Ayres and River Plate, Limited ...	100	40	50
Am. Bank of London and Liverpool, Limited ...	100	25	33½	Ditto, New, issued at 1½ pm. ...	25	7½	9½
Am. New ...	100	25	33½	London Chartered of Australia ...	20	20	24
Am. New, issued at 20 pm. ...	100	10	18½	London and County Bank ...	50	20	79
Am. American Bank ...	20	6	7½	London, Hamburg, Cont. Exchange (Lim.) ...	100	18	10
Am. Italian (Lim.) ...	50	10	9	London Joint Stock Bank ...	50	15	50½
Bank of Australasia ...	40	40	71	Ditto, New, issued at 30 pm. ...	50	20	...
Bank, New ...	40	40	66	London & South African Bk. ...	20	20	21½
Bank of Egypt ...	25	25	33	London and South Western (Limited) ...	100	20	21½
Bank of London ...	100	50	158	London and Venezuela (Lim.) ...	50	10	6
Bank, New, issued at 270 pm. ...	100	50	...	London & Westminster Bank ...	100	20	16½
Bank of Otago (Limited) ...	20	6	5½	Merchant Bank (Limited) ...	100	22½	15½
Bank of Queensland, Limited ...	100	25	22½	Mercantile Exchange (Lim.) ...	100	10	8½
Bank of California (Lim.) ...	50	7½	6	Ditto, New, issued at 2 pm. ...	40	10	8½
Bank of Wales ...	100	20	15½	Metropolitan and Provincial Bank, Limited ...	100	20	19
Bank of New Zealand ...	10	9	16½	Ditto, New ...	100	10	9
Bank of Victoria, Australia ...	50	25	39	Midland Bank (Limited) ...	100	20	19
Bank & Portuguese (Lim.) ...	20	10	11	National Bank ...	50	30	...
Bank, North American ...	50	50	46xd	Ditto, New ...	50	20	87½
Bank of British Columbia ...	20	15	18½	National of Liverpool (Lim.) ...	100	10	17½
Bank of India ...	20	20	34	National Provincial Bank of England ...	100	43	...
Bank of India and China ...	25	25	58	Ditto, New ...	20	12	...
Bank of India, London & China ...	100	50	114	Ditto, ditto ...	20	12	...
Bank ...	100	25	42½xd	New South Wales ...	20	20	43xd
Bank of Canada ...	20	20	...	Ditto, New, issued at £6, 13s. 4d. pm. ...	20	20	...
Bank of India ...	25	25	...	New Zealand Bank Corporation (Limited) ...	10	1	1½
Bank, issued at 10 pm., of which is paid ...	25	20	26	Ditto, New ...	10	1	...
Bank, issued at 10 pm. ...	25	20	25	North Western ...	20	5	10½
Bank of India (Lim.) ...	10	4	11½	Oriental Bank ...	25	25	57
Bank ...	100	25	20	Do. New, issued at 20 pm. ...	25	25	...
Bank, New ...	100	15	10	Provincial Banking Corporation ...	50	5	3½
Bank (Lim.) ...	50	5	6½	Provincial Bank of Ireland ...	100	25	85
Bank Exchange ...	20	3	2½	Ditto, New ...	10	10	...
Bank, Scottish and Australian Chartered Bank ...	20	20	21	Seinde, Punjab and Delhi (Limited) ...	20	10	11½
Bank and Swedish (Lim.) ...	50	15	13½	Ditto, issued at 2 pm. ...	20	2	...
Bank (Limited) ...	50	15	14½	South Australian ...	25	25	36xd
Bank, China and Japan, Limited ...	100	25	28½	South Eastern (Lim.) ...	25	10	11½
Ditto, issued at 2 pm. ...	100	23	25	Standard of British Africa (Limited) ...	100	25	25
Bank, New ...	100	10	12	Ditto ditto ...	100	25	25
Bank (Limited) ...	100	20	33	Do. New, issued at 6 pm. ...	100	10	9½
Bank, New, issued at 4 pm. ...	100	20	32½	Union Bank of Australia ...	25	25	52½
Bank Ottoman ...	20	10	16½	Union Bank of Ireland, Lim. ...	100	22	20½
Bank, Limited ...	50	20	11	Union Bank of London ...	50	15	53xd
Bank ...	25	25	...				
Bank, New ...	25	5	...				
Bank, Mortgage Bk. of India ...	20	4	5½				
Bank of Mexico and South America (Limited) ...	50	10	9½				

Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows.

ISSUE DEPARTMENT.

	1864. Dec. 28.	1865. Jan. 4.	1865. Jan. 11.	1865. Jan. 18.
	£	£	£	£
Notes issued	28,036,475	27,968,760	28,058,490	28,061,675
Government debentures	11,015,100	11,015,100	11,015,100	11,015,100
Other securities	3,634,900	3,634,900	3,634,900	3,634,900
Gold coin and bullion	13,386,475	13,318,760	13,408,490	13,411,675
Silver bullion				
	28,036,475	27,968,760	28,058,490	28,061,675

BANKING DEPARTMENT.

	1864. Dec. 28.	1865. Jan. 4.	1865. Jan. 11.	1865. Jan. 18.
	£	£	£	£
Proprietors' capital	14,553,000	14,553,000	14,553,000	14,553,000
Reserve	3,356,854	3,384,035	3,422,791	3,489,023
Public deposits (Including Exchequer Savings Banks, Commissioners of National Debt, and Dividend Accounts)	8,601,125	8,500,269	4,445,535	4,186,614
Other Deposits	13,040,643	13,874,977	16,174,166	14,658,015
Seven day and other bills	437,450	491,875	530,493	513,148
	39,989,072	40,804,156	39,125,985	37,399,800
Government Securities (including Dead Weight Annuities)	10,824,542	11,024,397	11,023,211	11,023,211
Other Securities	19,786,541	21,711,507	19,837,669	18,269,062
Notes	8,603,490	7,453,429	7,576,205	7,350,975
Gold and Silver coin	714,499	614,832	689,900	756,552
	39,989,072	40,804,156	39,125,985	37,399,800

THE EXCHANGES.

	Dec. 30.	Jan. 6.	Jan. 13.	Jan. 20.
Amsterdam, short	11 15	11 14½	11 15	11 15
Ditto 3 months	11 18½	11 17½	11 18	11 18
Rotterdam, ditto	11 18½	11 18	11 18	11 18
Antwerp, ditto	25 50	25 50	25 52½	25 53½
Brussels, ditto	25 50	25 50	25 52½	25 53½
Hamburg, ditto	13 7½	13 7½	13 7½	13 7½
Paris, short	25 20	25 20	25 22½	25 23½
Paris, 3 months	25 52½	25 52½	25 52½	25 52½
Marseilles, ditto	25 52½	25 52½	25 52½	25 52½
Frankfort, ditto	120½	120	119½	119½
Vienna, ditto	11 95	11 92½	11 80	11 86
Trieste, ditto	11 95	11 92½	11 80	11 87½
Petersburgh, ditto	30	30½	30	30½
Madrid, ditto	46½	46½	46½	46½
Cadiz, ditto	47½	47½	47½	47
Leghorn, ditto	25 72½	25 75	25 72½	25 65
Milan	25 72½	25 75	25 72½	25 65
Genoa, ditto	25 72½	25 75	25 72½	25 65
Naples, ditto	25 72½	25 75	25 75	25 65
Palermo, ditto	25 72½	25 75	25 75	25 65
Messina, ditto	25 72½	25 75	25 75	25 65
Lisbon	52½	51½	51½	51½
Oporto	52½	51½	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard)	3 17 9	3 17 9	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0	0 0 0	0 0 0
Silver in Bars (Standard)	0 0 0	0 0 0	0 0 0	0 0 0

Weekly Circulation Returns.

8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

	Author- ized Issue.	AVERAGE AMOUNT.			
		Dec. 17.	Dec. 24.	Dec. 31.	Jan. 7
	£	£	£	£	£
.....	11,849	11,220	11,365	10,833	11,454
.....	48,461	22,002	21,565	22,158	22,481
de Bank ...	37,223	17,804	18,076	18,598	19,203
.....	17,182	3,672	3,655	3,382	3,745
.....	34,218	26,100	26,389	27,422	29,027
re Bank ...	27,090	13,441	13,249	12,904	13,594
woods&Co.	23,695	21,014	20,212	20,728	20,415
s and Co....	75,069	66,458	66,182	64,476	65,160
d Co.....	15,161	15,024	14,380	14,407	15,129
.....	10,028	6,044	6,102	6,485	5,900
.....	48,277	20,346	21,102	21,288	22,228
th Bank ...	26,717	14,855	15,349	14,591	15,115
.....	29,557	20,043	19,051	17,784	18,123
.....	82,362	46,942	47,726	47,936	50,524
.....	43,457	25,435	24,695	24,000	24,639
.....	55,153	22,928	21,511	19,825	18,893
Buzzard Bk.	36,829	34,185	33,579	33,231	33,940
ds & Co. ...	38,816	25,635	26,060	25,645	26,304
.....	68,271	49,275	47,542	45,821	47,063
.....	33,794	20,436	20,804	22,485	23,313
d Bank.....	12,745	10,456	10,107	10,511	11,404
nk.....	3,201	2,872	2,829	2,841	3,263
lock & Co.	25,744	13,985	14,803	14,127	13,227
dgeshire Bk.	49,916	44,570	43,380	41,575	41,470
.....	33,671	28,112	28,400	27,916	29,768
.....	23,597	15,713	16,059	16,402	15,835
.....	3,436	2,151	2,745	2,915	2,917
.....	25,082	14,618	15,199	16,752	16,936
Bank.....	48,704	25,525	26,345	27,140	29,555
y & Co. ...	49,869	27,223	27,722	28,526	29,770
.....	12,045	5,091	4,794	5,098	5,201
.....	21,527	13,938	13,533	13,808	14,825
s & Co. ...	77,154	69,024	66,685	66,405	66,341
.....	9,387	6,415	5,907	5,859	5,875
Evans & Co.	13,332	8,187	8,427	8,844	9,822
nd Co.	41,304	34,241	32,220	32,069	31,884
.....	27,237	25,973	25,950	28,029	28,249
Bank	20,674	5,667	5,874	5,958	6,325
.....	10,657	10,602	10,074	9,838	10,274
etford Bank	77,400	56,428	53,507	52,025	54,997
.....	86,218	76,114	78,521	79,148	86,294
.....	10,664	6,557	6,830	7,280	6,918
.....	48,807	33,720	33,576	34,124	35,019
obins & Co.	112,280	84,033	81,636	82,900	84,326
.....	53,392	47,184	47,000	48,239	51,214
ortford Bk.	69,637	33,395	32,905	34,011	36,615
.....	37,894	17,810	17,690	18,810	20,124
.....	14,202	6,148	5,856	5,726	6,091
.....	6,681	4,810	5,030	5,160	5,763
.....	6,322	4,365	...	4,696	4,940
.....	14,524	10,239	10,101	10,650	10,541
dy and Co..	30,372	22,962	23,663	23,938	24,424
-Hull Bank	19,979	15,914	16,635	17,904	19,766
ounty Bank	56,591	32,951	32,570	31,247	33,361
.....	5,778	4,600	4,807	4,941	5,453
Bank	38,764	32,547	33,092	33,097	33,187
.....	21,901	16,768	16,750	17,377	19,281

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Dec. 17.	Dec. 24.	Dec. 31.	Jan. 7.
	£	£	£	£	£
58 Ipswich & Needham Market Bank	80,699	50,232	49,615	...	54,256
59 Kentish Bank—Mercer & Co. ...	19,895	16,194	15,065	14,521	15,842
60 Kingston and Radnorshire Bank...	26,050	21,490	20,587	19,425	18,741
61 Knaresborough Old Bank	21,825	19,596	19,838	19,679	20,335
62 Kendal Bank	44,663	39,203	39,946	39,330	39,361
63 Longton Staffordshire Bank	5,624	5,303	5,122	5,090	4,996
64 Leeds Bank	53,357	52,761	51,387	51,822	55,611
65 Leeds Union Bank	37,459	35,547	34,660	34,435	33,851
66 Leicester Bank	32,322	27,585	25,819	25,849	25,559
67 Lewes Old Bank	44,836	25,540	25,573	25,615	28,904
68 Lincoln Bank	100,342	84,116	82,185	82,234	85,404
69 Llandoverly Bank & Llandilo Bank	32,945	17,426	16,749	14,954	13,953
70 Loughborough Bank	7,359	7,313	7,268	7,164	7,065
71 Lymington Bank	5,038	2,755	2,871	2,805	3,065
72 Lynn Regis and Lincolnshire Bank	42,817	29,045	29,182	28,399	30,085
73 Lynn Regis and Norfolk Bank	13,917	12,241	12,192	12,426	12,200
74 Macclesfield Bank	15,760	10,827	11,059	11,626	12,055
75 Manningtree Bank	7,692	5,310	5,221	5,380	5,509
76 Merionethshire Bank	10,906	8,146	9,759	8,381	7,887
77 Miners' Bank	18,688	18,365	18,016	17,547	18,117
78 Monmouthshire Agricultural and Commercial Bank	29,335	25,115	26,590	27,081	28,811
79 Monmouth Old Bank	16,385	3,919	3,585	3,152	3,342
80 Newark Bank	28,788	23,005	21,570	20,785	21,187
81 Newark and Sleaford Bank	51,615	43,130	42,952	42,070	43,380
82 Newbury Bank	36,787	11,524	11,754	11,940	13,014
83 Newmarket Bank	23,098	16,214	15,801	15,748	16,429
84 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	51,720	49,930	47,777	48,155
85 Norwich and Norfolk Bank	105,519	72,158	74,581	77,604	80,850
86 Nottingham & Nottinghamsh. Bk.	10,866	7,391	6,771	6,762	8,131
87 Naval Bank, Plymouth	27,321	21,613	21,293	21,433	23,104
88 New Sarum Bk.—Pinckneys, Bros.	15,659	7,064	7,305	7,115	7,746
89 Nottingham Bank	31,047	24,373	22,969	22,955	23,987
90 Oswestry Bank	18,471	10,574	10,270	9,820	9,306
91 Oxford Old Bank	34,391	31,863	32,050	32,111	31,418
92 Old Bank, Tonbridge	13,183	10,652	10,846	10,662	11,040
93 Oxfordshire Witney Bank	11,852	8,861	8,730	8,772	8,942
94 Pease's Old Bank, Hull	48,807	43,980	42,615	43,870	44,645
95 Penzance Bank	11,405	9,473	9,410	9,138	9,615
96 Pembrokeshire Bank	12,910	11,188	11,402	11,426	11,571
97 Reading Bank—Simonds & Co.	37,519	23,420	23,200	23,180	24,168
98 Reading Bk.—Stephens, Blandy & Co.	43,271	23,859	23,370	24,371	26,835
99 Richmond Bank, Yorkshire	6,889	5,573	5,845	5,593	5,780
100 Rochdale Bank	5,590	1,224	1,449	1,435	1,407
101 Royston Bank	16,393	9,455	9,660	9,262	9,778
102 Rugby Bank	17,250	8,725	8,844	8,744	8,722
103 Rye Bank	29,864	11,261	11,437	11,140	11,630
104 Saffron Walden & North Essex Bk.	47,646	21,700	21,487	21,714	22,497
105 Salop Bank	22,338	10,373	9,855	10,546	10,946
106 Scarborough Old Bank	24,813	20,830	20,747	21,154	21,995
107 Shrewsbury Old Bank	43,191	35,314	35,452	34,193	33,913
108 Sittingbourne and Milton Bank	4,789	3,353	3,426	3,352	3,515
109 Southampton Town & County Bk.	18,589	9,050	8,923	9,177	11,104
110 Southwell Bank	14,744	8,755	8,449	8,431	8,701
111 Southampton and Hampshire Bk.	6,770	1,924	1,955	2,482	2,448
112 Stafford Old Bank	14,166	12,137	12,724	13,180	13,057
113 Stamford and Rutland Bank	31,858	17,001	16,474	16,293	17,810
114 Shrewsbury and Welsh Pool Bank	25,336	20,465	21,158	20,492	20,094
115 Taunton Bank	29,799	20,704	20,154	20,466	20,745
116 Tavistock Bank	13,421	8,441	8,030	8,486	8,696

	Author- ized Issue.	AVERAGE AMOUNT.			
		Dec. 17.	Dec. 24.	Dec. 31.	Jan. 7.
	£	£	£	£	£
.....	10,026	7,555	7,327	7,080	6,930
re Bank ...	13,470	10,067	10,512	10,346	10,583
ing Bank..	11,559	...	11,446	10,892	11,921
am Bank..	13,531	11,690	11,640	11,601	12,366
.....	10,801	5,171	5,083	5,282	5,505
.....	17,003	16,610	16,040	16,375	16,658
.....	25,136	8,234	8,411	8,034	8,040
.....	17,064	5,598	5,556	5,685	5,735
shire Bank	30,504	16,607	17,337	16,982	17,826
erset	6,528	2,271	2,331	2,351	2,444
.....	46,158	36,196	36,241	36,665	37,498
.....	14,258	13,935	14,086	14,282	14,360
& Alton Bk.	25,892	11,261	10,958	11,016	...
.....	16,461	15,555	15,660	15,362	16,402
shire Bk.	37,602	33,779	34,087	35,074	35,738
shire Bank	59,713	38,477	37,407	36,505	37,001
.....	7,602	3,871	4,201	4,292	4,205
.....	87,448	51,606	50,571	50,179	51,643
& W. Fryer	11,867	10,358	10,407	10,550	10,034
Bank	53,060	37,982	40,956	41,607	41,571
Suffolk Bk.	13,229	9,085	15,100	14,200	12,344
.....	46,387	37,554	37,274	37,431	37,887

INT STOCK BANKS.

.....	12,225	9,918	9,926	9,153	9,249
pany	9,563	8,262	7,965	8,126	8,505
pany	49,292	47,596	47,200	47,724	47,663
g Company	9,418	9,486	9,566	9,273	8,795
.....	32,681	26,564	26,188	25,557	27,554
anking Co.	20,084	18,929	19,476	19,110	19,980
affordshire	60,701	45,282	43,773	45,883	49,003
sh Bk. Co.	10,421	8,430	8,254	8,440	8,610
king Co. ...	35,395	29,268	...	31,132	32,160
ire Bk. Co.	28,734	14,264	14,513	14,671	14,761
g Company	16,251	12,564	12,554	11,924	13,547
anking Co.	144,352	94,654	91,042	91,004	100,414
anking Co.	25,610	21,745	24,144	24,075	24,039
st Bank ...	19,972	19,172	19,944	19,565	20,095
ich Bk. Co.	37,696	29,328	29,273	29,691	30,212
anking Co.	20,093	19,505	18,334	18,326	18,304
ock Bk. Co.	26,134	22,389	21,777	20,731	20,330
g Company	155,920	132,369	132,122	128,634	131,576
.....	18,534	17,005	16,840	16,943	16,507
Company ...	37,354	31,701	31,655	30,652	31,062
.....	29,333	27,065	28,013	28,112	31,120
anking Co...	13,733	9,387	9,553	10,743	11,561
Union Bk.	44,137	29,460	28,988	30,475	33,132
any	1,003	1,490	1,485	1,506	1,480
aro Bk. Co.	28,059	25,111	24,529	24,939	24,994
pany	64,311	50,534	49,685	49,199	51,549
Company...	86,060	55,242	53,039	54,163	55,260
anking Co.	51,620	46,435	45,617	43,975	45,810
Warwick-	13,875	10,007	9,720	9,410	10,498
.....	10,215	8,950	8,293	8,077	7,830
ts. Bank...	35,813	25,009	25,199	...	27,228
anking Co.	29,477	24,392	23,730	23,083	25,940
of England	442,371	409,706	407,639	399,700	407,961
company ...	63,939	40,126	38,727	37,798	37,178

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT		
		Dec. 17.	Dec. 24.	Dec. 31.
	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	59,222	59,012	56,491
36 Northamptonshire Banking Co. ...	26,401	19,083	19,005	18,120
37 North and South Wales Bank	63,951	57,704	56,935	54,529
38 Pare's Leicestershire Banking Co...	59,300	51,935	50,299	50,618
39 Saddleworth Banking Company ...	8,122	335	335	335
40 Sheffield Banking Company	35,843	32,579	35,246	36,822
41 Stamford, Spalding & Boston Bk. Co.	55,721	46,325	44,613	...
42 Stuckey's Banking Company	356,976	286,650	288,248	288,147
43 Shropshire Banking Company	47,951	40,015	40,607	38,808
44 Stourbridge and Kidderminster Bk.	56,830	53,342	50,192	49,546
45 Sheffield and Hallamshire Bank ...	23,524	21,952	23,211	23,307
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	48,921	48,883	50,102
47 Swaledale and Wensleydale Bank..	54,372	50,110	48,512	47,598
48 Wolverhampton & Staffordsh. Bk..	35,378	29,174	29,282	29,808
49 Wakefield and Barnsley Union Bk.	14,604	13,755	13,676	14,097
50 Whitehaven Joint Stock Bank ...	31,916	20,324	19,688	20,428
51 Warwick and Leamington Bk. Co.	37,124	25,504	25,705	24,592
52 West of Eng. & S. Wales District Bk.	83,535	76,343	74,391	73,498
53 Wilts & Dorset Banking Company	76,162	65,180	65,622	67,350
54 West Riding Union Banking Co....	34,029	30,922	32,308	31,066
55 Whitechurch and Ellesmere Bk. Co.	7,475	4,539	4,514	5,090
56 Worcester City and County Bk. Co.	6,848	5,355	5,236	5,242
57 York Union Banking Company ...	71,240	70,048	70,660	70,503
58 York City and County Banking Co.	94,695	85,305	84,368	84,941
59 Yorkshire Banking Company	122,532	114,732	113,241	113,354

Irish and Scotch Circulation Returns.

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during weeks ending Saturday, the 7th day of January, 1865.

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during Four Weeks ending as above.		
		£5 and upwards.	Under £5.	Total.
	£	£	£	£
Bank of Ireland	3,738,428	1,372,925	1,053,575	2,426,500
Provincial Bank of Ireland	927,667	378,569	484,627	863,196
Belfast Bank	281,611	106,283	307,872	414,155
Northern Bank	243,440	85,918	262,612	348,530
Ulster Bank	311,079	153,060	318,308	471,368
The National Bank	852,269	552,128	585,149	1,137,277
TOTALS (Irish Banks) ...	6,354,494	2,648,883	3,012,143	5,661,026

SCOTCH BANKS.

Bank of Scotland	300,485	162,062	319,364	481,426
Royal Bank of Scotland ...	216,451	187,773	341,433	529,206
British Linen Company	438,024	174,436	321,712	496,149
Commercial Bk. of Scotland	374,880	182,988	368,727	551,715
National Bank of Scotland..	297,024	157,921	302,964	460,885
Union Bank of Scotland ...	454,346	192,766	393,382	586,148
Aberdeen Town and Co. Bk.	70,133	59,736	83,710	143,446
North of Scotland Bk. Co...	154,319	96,865	114,656	211,521
Glydesdale Banking Co. ...	274,321	135,918	236,473	372,402
City of Glasgow Bank	72,921	121,582	235,928	357,511
Caledonian Banking Co. ...	53,434	21,862	54,601	76,463
Central Bank of Scotland...	42,933	20,981	37,738	58,719
TOTALS (Scotch Banks)...	2,749,271	1,514,900	2,810,688	4,325,591

WEEKLY RETURNS OF BANKS OF ISSUE.

Fixed Issues.	Dec. 17.	Dec. 24.	Dec. 31.	Jan. 7.
£4,212,786	£2,945,080	£2,932,002	£2,933,482	£3,016,903
3,226,357	2,690,739	2,673,174	2,857,266	2,728,581
7,439,143	5,635,819	5,605,176	5,790,748	5,755,484
these Banks for	And as compared with the month ending			
... £2,959,367	January 9th, 1864, it shows:—			
... 2,737,440	A decrease in the notes of Private			
ivate	Banks, of £158,177			
g as	A decrease in the notes of Joint-Stock			
... £5,696,907	Banks, of 91,687			
with the Returns	Total decrease, as compared with the			
ast, it shows:—	same period of last year £247,864			
ivate	The following is the comparative state of the			
... £99,174	circulation as regards the fixed issues:—			
Stock	The Private Banks are below their			
... 16,703	fixed issues £1,253,419			
... £115,877	The Joint-Stock Banks are below their			
	fixed issues 489,917			
	Total below their fixed issues ... £1,742,336			

H & SCOTCH RETURNS TO JANUARY 7, 1865.

of the Irish and	The fixed issues of the Irish and Scotch Banks			
ks ending Jan.	at the present time are given in the <i>Banking</i>			
the following as	<i>Almanac</i> , as follows:—			
of these Banks	6 Banks in Ireland, allowed to issue... £6,354,484			
anks £5,661,036	12 Banks in Scotland, allowed to issue 2,749,271			
Banks 4,325,591	18 Banks in all, allowed to issue £9,103,765			
banks	The following appears, therefore, to be the			
..... £9,986,617	comparative state of the circulation:—			
with the Returns	Irish Banks are below their fixed issue £693,468			
st, they show:—	Scotch Banks are above their fixed issue 1,676,320			
h Banks £211,679	Total above the fixed issue £882,852			
ch Banks 301,206	The amounts of Gold and Silver held at the			
..... £512,884	head offices of the several banks, during the past			
month ending	month, have been as follows:—			
h Banks £3,114	Gold and Silver held by the Irish Banks £2,216,413			
ch Banks 24,160	Gold and Silver held by the Scotch Banks 2,378,119			
..... £21,046	Total of Gold and Silver Coin..... £4,594,532			
	Being an increase of £35,635 on the part of the			
	Irish Banks, and a decrease of £135,086 on the			
	part of the Scotch Banks, on the several amounts			
	held by them during the preceding month.			

THE UNITED KINGDOM TO JANUARY 7, 1865.

of the Note Circulation of the United Kingdom for the month ending	January 7th, 1864, as compared with the previous month:—			
th ending 7th Jan. 4)	Dec. 10.	Jan. 7.	Increase.	Decrease.
.....	£19,406,137	£19,321,117	—	485,020
.....	3,058,641	2,959,367	—	99,174
.....	2,754,143	2,737,440	—	16,703
.....	25,618,821	25,017,924	—	600,897
.....	4,626,796	4,325,591	—	301,206
.....	5,872,705	5,661,026	—	211,679
.....	£36,118,322	£35,004,641	—	£1,113,781

th ending Jan. 9th, 1864, with the month ending Jan. 7th, 1865,
 of England circulation of £754,286, a decrease in Private Banks of
 Stock Banks of £91,687; being a total decrease in England of £1,002,150;
 increase of £24,160; and in Ireland a decrease of £3,114. Thus
 7th Jan., as compared with the same period last year, presents a
 and, and a decrease of £981,104 in the *United Kingdom*.
 the Bank of England, for the month ending Jan. 4th, gives an
 amounts of £14,116,259. On a comparison of this with the Return for
 re appears to be an increase of £162,742; and an increase of £3,284
 and last year.

the Banks in Scotland and Ireland during the month ending 7th
 decrease of £99,451 as compared with the Return of the previous month,
 compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 28th December, 1864, to 27th January, 1865, inclusive.

	28	29	30	31	2	3	4	5	6	7	9	10	11	12	13	14	16	17	18	19	30	21	23	24	25	26	27
Bank Stock, 4 per cent, last half-year	...	240	240	...	230	238	...	240	...	240	240	240	243	240	240	242	240	240	240	240	240	241	...	243	...	243	...
3 per Cent. Reduced Annuitie	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
3 per Cent. Consols Annuitie	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto ditto for account Jan. 10	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto ditto Feb. 9	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
New 3 per Cent.	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
New 2 1/2 per Cent.	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
New 2 1/2 per Cent.	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
New 5 per Cent.	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Annuitie for 30 years	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto 30 years	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto (Red Sea Telegraph) Aug. 1868	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
India Stock, 10 1/2 per cent. April, 1874	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto 4 " " Oct. 1888	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto Enforced Paper, 4 per cent.	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto ditto 5 1/2 " "	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto Loan Debentures, 1868	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto Bonds £1,000 (div. 5 per cent.)	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto under £1,000	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Exchequer Bills £1,000, 4 per cent.	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto ditto £500, 3 1/2 per cent.	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...
Ditto ditto £100 & 200 " "	...	88	88	88	...	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	...	88	...	88	...

FOREIGN STOCKS.—(January 27th, 1865.)

Brazilian Bonds, 5 per Cent.	...	100	Spanish Bonds 3 per Centa.	...	48
Brazilian 4 1/2 per Centa.	...	88	Ditto 3 per Cent. Deferred...	...	41
Buenos Ayres 6 per Centa.	...	92	Turkish 6 per Cent.	...	90
Chilian Bonds 6 per Cent.	...	102	Turkish 4 per Centa., Guaranteed	...	101
Chilian 3 per Centa.	...	82	Venezuelan 3 per Centa.	...	18
Mexican 3 per Cent.	...	25	(Dividends on the above payable in	...	...
Peruvian 4 per Cent.	...	83		...	...

RAILWAY SHARES.—(January 27th, 1865.)

Bristol and Exeter	...	100	Prices Dec. 31.	...	Prices Jan. 27.
Caledonian	...	100	...	...	...
East Anglian	...	100	...	...	...
Great Eastern	...	100	...	...	...
Great Northern	...	100	...	...	...
London & South-Westn.	...	100	...	...	...
London Chatham & Dover	...	100	...	...	...
Manchester & Sheffield	...	100	...	...	...
Midland	...	100	...	...	...
North British	...	100	...	...	...

BANKERS' MAGAZINE,

AND

of the Money Market.

MARCH, 1865.

PHILOSOPHY OF BUSINESS SUCCESS.

a complex general notion, because of the interests involved, and because business experiences furnish examples of accumulation. A common notion of business success would be, that the result of trading forms a satisfactory fund. Ventures with good and some with bad results; and unsuccessful men still pursue business and the successful men who have been gainers; and those who have relinquished it being gainers to the end of their desires, and the successful men who still pursue gainers to an extent short of their inclination between pursuing and relinquishing is the case that the great majority of the men venture to the end, and figuratively business.

Complexity is owing to the mutations of human life. The generations of business men, like generations of other things, are not simultaneous; the young are constantly being born, the middle aged, and the latter as constantly passing away among those of maturer years. Generalization is a fault; business furnishing the continuous changes of the kaleidoscope. The corner house is to-day a law office; to-morrow it is a club or chamber; and it is an establishment in the boot and shoe trade. This year we recognise new faces on the street; and new names in the ledger and on the books. Note them and watch them with the protection agent, and their interrogation will

make no sensible addition to our general knowledge. The names on the doorways are in time blotted out, and the names in the ledger pass into forgetfulness when the time comes to be fully written up. What becomes of the assets and creditors of the bank, and whether the insurance of the bank is in a good or bad condition when it was wound up or transferred into another, none perhaps can clearly answer. How the bank or chambers were established or broken up is never like to be known. And of the success of the great establishments in the boot and shoe or other trade, the banker, or the bank itself, there are often two—may be doubtful. The mutations of business life almost baffle inquiry.

Passing by for a moment the phenomena of mutations, we turn to their reverse: to that which time has stamped with permanency. Where, for example, is that weather-beaten institution the Bank of England? It is a business success in every meaning of the term. Some will attribute its good fortune to one cause or to one set of causes; others will dispute and advance their own theories. Discarding differences of opinion, a great majority will affirm that the Bank of England is a business success by virtue of its age. Where, again, are the Stock Exchange and Lloyds? They are not of yesterday, nor have they looked for from street to street or from town to town. They are known of all men the wide world over. Some, one might say, will attribute their good fortune to one cause or to one set of causes, and others will dissent. Wherein most will agree is that they have succeeded, and that of their success the continuance is the proof. But the proof is incomplete. The stoutest oak may be decayed at heart, so also may the oldest corporate body, unless vitality appears in all its parts. With that correction the proof is perfect. Age in business is a mark of success so long as no symptoms of decay are to be feared. As a matter of fact, the Bank of England is in possession of a satisfactory fund, the slow growth of years, which has been husbanded with anxious care, and which would be jeoparded were folly to take the place of wisdom in the direction of Bank affairs. As a matter of fact, the Stock Exchange and Lloyds are prosperous and without any considerable accumulation of fund; such accumulation being foreign to the intention of the corporations. Both are successful by reason of their age and the discretion with which they are managed.

Returning to the phenomena of mutations their character is transiency. For example, the antecedents of the American petroleum or shoddy interest relate not to business, but

of those concerned, and for that reason they with interests may nevertheless accumulate a wealth—may become enormously enriched, could be different in kind from that attained in corporations to which reference has been made. The difference would be that whereas the success of the latter is due to the influence of the accident, that of the former, from its accidental nature, creates distrust. Who is ignorant of the proverb that the man whose experience does not point to verification is scarcely to admit of being numbered. The man who becomes rich by one accident or by a series of accidents is in danger of becoming poor by a combination of accidents. "In the sweat of thy face shalt thou eat bread," says the sacred text, which accumulated by the protracted labour of the poor is the most abiding. One of the surest ways of escaping the transient class, whether as a corporation or as an individual, is the avoidance of what the long-established never fails to do. Accidents should take the place of personal antecedents, in reality, being of no value—for there is no security in which to rear the structure of business success. Foreign to the subject it might be shown that the relation of debtor and creditor there may be even a greater liability on the part of the creditor than of the debtor. The former failing to distinguish between receivers to whom merchandise is parted with and beginners, and towards beginners, there is too much reliance on personal antecedents and too little dependence on antecedents.

Success has been said to consist in the satisfaction of the course of trading; and the cases of the two classes of men have to be considered—those who persevere to the end, and those who relinquish it.

View of business success as consisting in the results of a course of trading, several interesting questions are presented for investigation. First of all, the nature of the ventures, so that, in a certain sense, all are styled adventurers. The manufacturer must find a market for his goods, the importer a buyer; and if he cannot obtain readily, there are the alternatives of a low price, or a full market price from a doubtful source. The success of men of business is to be measured by the successful cash realizations when realizations were expected, and by the preference to doubtful credit sales; and much of

the non-success to the adoption of the other course. So as there must be risks or ventures, there should be a perception of the principle on which success depends. Impressions will not do, because the spendthrift is deluding himself with the belief that another straw will not add much to the camel's burden. The man also who keeps no record of his money outgoings is pretty sure to come to trouble from conviction of being within the mark invariably proving mistaken. The averages of business should be always kept doubtfully but positively in view, and on the whole it is questionable whether the course of training at school and in counting-house or shop is the best that might be imparted to commercial youth. The extraordinary number of business failures is, to say the least, a serious imputation on the course of training. In the third place, although some men of business are born rich, and others have riches thrust upon them, there is little doubt that as there is one sure road to failure so there is also one sure road to fortune. We shall not attempt an enumeration of the maxims which have guided the conduct and operations of the most successful men of business. The enumeration (if it were effected) would be useful and confer the greatest possible benefits on the commerce of the country.

That while some successful men of business never give up and others do, is a matter of education and human nature. They who have the faculty of withdrawing their thoughts from the serious occupation of their lives, and have a taste for recreation out of doors, or for reading at their firesides, are almost certain to become satiated in the accumulation of the world's goods. They, on the other hand, without that faculty, are only to be withdrawn from the office, the warehouse, or the shop, to bring their days to an early close. And need we add that accumulation becomes a passion with some men? They will toil early and late to be esteemed wealthy and powerful, although to the last the well-founded apprehension may have haunted them, that as soon as their breath is out, that they possess will pass into improper hands.

C OUTLINES OF AMERICAN FINANCE.

No. XIII.

The crisis of affairs the several states manifested Massachusetts, Connecticut, New York, Delaware, Indiana, and Missouri, condemned the doctrines South Carolina, as destructive of the Constitution. South Carolina and Alabama censured the ordinance, the tariff unconstitutional and unwise. Georgia rebellious policy pursued, but opposed the tariff terms, and proposed a convention of the states North Carolina, South Carolina, Georgia, Alabama, Mississippi, to consider how relief might be given to the protective system. The legislature of Virginia to refer the whole question to a committee on which in which the general powers of government were discussed, and, at the same time, earnestly requested not to take any further action under the ordinance convention or do any act calculated to disturb the peace. The state of New Hampshire abstained from any opinion on the South Carolina doctrines, and passed resolutions in favour of reducing the tariff to the true standard. Massachusetts, Vermont, Rhode Island, and Pennsylvania opposed any alteration

South Carolina convention had promised to remain in session till 1st January, 1833, in other words to continue the same attitude till that date. In the mean time the revenue laws, no attempt being made to repeal the ordinance which prohibited the payment of the tariff duties.

Congress assembled on the 2nd December, 1832, the members, divided in opinion, hesitated what to do.

South Carolina temporized and the southern states refused any amicable accommodation. President Jackson declared the non-loyalty and patriotism of the South, though he wished to repel force by force and rigorously to enforce the laws of Congress. Amidst these difficulties a compromise was effected in the person of Mr. Clay, a highly distinguished statesman and a chief supporter of American manufactures. He proposed a modification of the tariff, which both Houses of Congress and the President ratified. The new law gradually reduced the tariff duties, enacting that where these exceeded

20 per cent. one tenth part of the excess should be deducted and after the 30th December, 1833, and one tenth more in an alternate year until the 1st December, 1841, when one half the residue was to be deducted; and after the 30th June, 1841, the duties on all goods were to be reduced to 20 per cent. on home valuation and were to be paid in cash. Mr. Calhoun, principal statesman of South Carolina, approved this plan, which was carried in the Senate by 29 to 16 votes, and in the House of Representatives by 119 to 85. The amended Tariff Bill received the presidential signature on the 2nd March, 1833.

Within a few days after this settlement of the dispute, South Carolina repealed the ordinance passed by its convention, to vindicate its right of protest and resistance, it retained its statute book the law by which it had armed its militia; it even had the hardihood to pass another ordinance which received the name of the "Nullification Ordinance," because it pretended to nullify an act of Congress, called the "Force Bill," which had empowered the President to use force, if necessary, to collect the Custom dues for the benefit of the federal treasury. This pretension of South Carolina was clearly an act of rebellion, for if any single state could annul an act of the Federal legislature, the Union would have been a rope of sand. However, this insolently defiant measure was favoured by the winking at by the party who styled themselves advocates of "States Rights," and the more violent nullifiers hailed Clay's compromise as the triumph of their party. The protectionists, aware that the free-traders would have a decided majority in the next Congress, congratulated themselves that the question had been settled before the enemies of the manufacturers had been strengthened in the legislature; but there was still a third party, not numerous, but enlightened and patriotic, who strongly reprobated any concession to the demand of a single state, threatening secession. This unhappy dispute shook faith in the permanent stability of the Federal Union; it was too clear that the central government had given way to clamour and betrayed its weakness. States rights came into direct collision with Union rights, and an adjustment founded on a compromise showed that the courage of Congress was not equal to the firmness of the President.

The administration of General Jackson is also memorable for his bitter hostility to the Bank of the United States, and the ruinous consequences that resulted. In his first annual address to Congress, 8th December, 1829, he admitted that the conduct of the managers of the bank had been judicious, but, that

guarded, it was evident to his more intimate friends that he was unfriendly to the institution in its existence. He expressed himself in these terms:—

"The charter of the Bank of the United States expires in 1836. The stockholders will most probably apply for a recharter on the same privileges. In order to avoid the evils resulting from a measure involving such important principles as to keep pecuniary interests, I feel that I cannot, as a member of the parties interested, too soon present it to the consideration of the legislature and the people. But the wisdom and expediency of the law creating this institution is questioned by a large portion of our fellow citizens. It must be admitted to have failed in the great object of creating a uniform and sound currency."

It was also intimated that when the public debt was liquidated, it might be proper to divide all the property among the several states of the Union, according to population. What more alluring bait could be held out to the voters in the several states by a canvass for a second presidential election? The report was referred to the financial committee whose report was published by the President.

The President recommended Congress to inquire into the expediency of discontinuing the bank on the expiry of its charter, and substituting in its place a bank based on the public debt, without the power of making loans or purchasing securities. At the same session Mr. Benton submitted a motion for the renewal of the charter, which was defeated by 20 votes, and this division was a sign of collision between the legislature and the executive, for the hostility to the bank was but thinly disguised. In his speech he observed that the institution, owing to its size, was dangerous to liberty, of which many citizens were becoming convinced, and he thought it would be wise to discontinue it. It would not be possible to secure the advantages of the present bank, through the agency of a Bank of the United States so modified in its principles and structure as to meet the constitutional and other objections, on which thereon he proposed the following terms:—

"That it be possible to organise such a bank, with the same powers as a branch of the treasury department, based on the public debt, without individual deposits, without power to make loans on property, which shall remit the funds of the treasury, and the expense of which may be paid, if thought

advisable, by allowing its officers to sell bills of exchange to private individuals at a moderate premium. Not being a rate body, having no stockholders, debt, or property, and a few officers, it would not be obnoxious to constitutional objections which are urged against the present bank; and having means to operate on the hopes, fears, or interests of large portions of the community, it would be shorn of the influence which makes that bank formidable. The states would be strengthened by having in their own hands the means of furnishing the paper currency through their own banks, while the Bank of the United States, though issuing no paper, would check the operations of the states banks by taking their notes as deposits and exchanging only so long as they continue to be redeemed in specie."

This was a very plain intimation that the independence of the bank as a distinct institution was to be destroyed, government officials being substituted for bank directors, as the President would nominate those officials, all effective control would be transferred to his hands.

In his third annual message, 6th December, 1831, General Jackson congratulated Congress on the abounding and increasing prosperity of the country, but he no longer attributed merit to the bank. He took all the credit to himself. The surplus of revenue over expenditure was even greater than in former years, and the exulting President expressed his hope that the whole public debt might be extinguished, either by redemption or purchase, within the four years of his administration, when America would exhibit the unexampled spectacle of a great nation abounding in all the means of happiness and security altogether free from debt. He repeated for the first time his objections to the bank, but the directors now asked for a renewal of the charter. Such was the perverseness of the opposition that it was contended the application was premature, though during two years the President had alluded to the subject in his messages, and in terms well calculated to put the directors on their guard. The application was brought before the Senate, who referred it to a select committee. The committee reported in favour of the renewal of the charter for fifteen years, with some modifications. In the House of Representatives there were two reports; the majority of the committee there appointed were hostile, but there was a respectable minority in favour of renewal. Finally, on bills being presented in both houses, the bank triumphed in the Senate by 28 votes; and in the Assembly of Representatives by 107

etors of the bank had offered to pay govern-
 ments for the extension of their privileges, by
 of 200,000 dollars each.

ify and continue the Act entitled "An Act
 subscribers to the Bank of the United States"
 Congress, was presented to the President
 signature on the 18th July, 1832. He re-
 d we propose to condense the substance of

y stating his conviction that a Bank of the
 erly constituted, would prove beneficial, but
 ne of the powers and privileges of the exist-
 uthorized by the Constitution, subversive of
 states, and dangerous to the liberties of the
 ed the monopoly of favour and support it
 ing almost to a monopoly of foreign and

Those powers and privileges, he said, were
 s to the stockholders. The extension of the
 term of fifteen years, as asked for, would
 nt. to the value of the stock, of which eight
 e held by foreigners, who always took their
 and might draw away their capital when
 serious embarrassment of the trading com-
 Jackson dwelt strongly on these points. He
 he, 1st January, 1832, of the twenty-eight
 stock in the corporation, 8,045,000 were held
 h he declared dangerous to public liberty,
 of war, while the concentration of large
 ds of a comparatively small number of
 reely less dangerous in time of peace. How-
 o be a bank of private stockholders, all its
 e subjects of the United States to give some
 illness to the constitution. To the objection
 o advocated the renewal of the charter, that
 he bank would be compelled at once to call
 unwillingly cause immense commercial dis-
 ss, the President assured that ample time
 close all accounts.

renewal of the charter on any terms. "One
 "in 1791 decided in favour of a bank; in
 ed against it. One Congress in 1815 de-
 nk; another, in 1816, established a bank."
 ontradictory views was urged against a deci-
 e Court, which had ruled that the bank was

a constitutional institution, for General Jackson argued that if one Congress could found a bank, every other Congress had an equal right; but the Congress of 1816 which established the first bank existing in 1832, had taken away the right from its successors for twenty years by giving it a monopoly for that time, and the Congress of 1832 proposed again to continue this monopoly for fifteen years, which restriction on all other competitors the President pronounced unconstitutional. Congress, he contended, was only allowed by the constitution to grant monopolies and exclusive privileges in two specified cases—"to promote the progress of science and useful arts by securing, for a limited time, to authors and inventors the exclusive right to their respective writings and discoveries."

The Bank Act, proposed by Congress, contained a clause which exempted from all national and state taxation bank property held by foreigners; that clause the veto declared unconstitutional.

The President then remarked that at the formation of the constitution the several states reserved power to regulate commerce, control titles and transfers of real property, and most, if not all of them, had laws disqualifying aliens from acquiring or holding lands within their limits. The proposed Bank measure contravened that law. The government of the United States had no constitutional power to purchase lands within any of the states, except for "the erection of forts, magazines, arsenals, dockyards, and other needful buildings;" and, even for these objects, only "with the consent of the legislature of the state in which the same shall be." By making themselves stockholders in the bank, and granting to the corporation the power to purchase lands for other purposes, Congress would assume a power not conveyed to it in the constitution, and grant to others what they did not themselves possess.

General Jackson then insisted that the bank only contemplated its private interests, not those of the country. He observed that the first Bank of the United States possessed only ten millions which was then deemed sufficient. The capital of the present bank was thirty-five millions, and the national debt was not paid off: yet, on its renewal, it was proposed to augment its capital to fifty millions. Therefore, argued the President, the large capital was not for public, but for private purposes. The original charter one million and a half was paid by the government to the bank. For its extension three millions were offered to the government. The Act of 1816 declared that the bonus was paid "in consideration of the exclusive privileges and benefits conferred

said bank." The Act of 1832, would, in the
e the bonus to be granted, "in consideration
enefits and privileges continued by this Act to
n as aforesaid." Therefore, continued the
us is to be given for the advantage to be
k, not for the advantage of the government,
eed of a bonus to make the bank the fiscal
nment, if nothing more than the performance
quired or expected.

gued that the bank might become the instru-
the constitutional power "of coining money
value thereof," and the answer was that this
ion of a mint, and one already existed which
ower to transfer to a third party.

of free and unlimited banking formerly en-
tizens, it no longer existed, having been pro-
te legislatures. New banks could only be
ne sanction of the state legislatures. These
ate taxation, either on the bank, the stock,
ernment money in the state banks exempted,
ey charges of the banks in remitting it.

resident wound up his veto by charging the
abused its charter by frequent acts of malver-
ges he did not sustain by the slightest evi-
is objections were sound, but the general tone
the spirit of a heated partizan. His violence
erate and impartial men, though his very
a higher than ever in favour with the ultra-
nounced the bank as a "mammoth monster"

d that in the Presidential Message of 1830 the
ing the public moneys from the United States
sury department had been recommended. By
3, those deposits were required to be deposited
e bank and its branches, and as an equivalent
he bank took on itself the responsibility of
l agent of the Government without charge.
ter law, however, it was provided that the
ight be removed by the Secretary of the
as required to submit his reasons to Congress
urse. In support of the views of President
tary of the Treasury expressed his doubts of
deposits, if continued in the custody of the
of the Treasury was then instructed to investi-

gate its affairs, and he reported that the institution held a valuable assets in excess of its liabilities to the amount of more than seven millions of dollars over and beyond its capital of 35,000,000 dollars, thus proving that the Secretary of the Treasury had no grounds for his want of confidence. Thus thwarted, the execution of the President vented itself in a new form: he recommended a sale of the stock of the bank belonging to the United States, after it had been proved to be in trustworthy hands. The recommendation was rejected by the House of Representatives on the first reading, by 102 votes to 91. The House of Representatives also decided, by 109 votes to 96, that the deposits might be safely confided to the custody of the bank. These successive defeats so infuriated General Jackson that his judgment appeared to have been blinded, for in his fourth annual message on December, 1832, he said in allusion to the bank, "An interference into the transactions of the institution, embracing the branch banks as well as the principal bank, seems called for by the character which is given throughout the country to many serious charges impeaching its character, and which, if true, may justify a just apprehension that it is no longer a safe depository for the money of the people." This was an insult founded on falsehood, for the vindictive charge was not sustained by a particle of evidence.

General Jackson was re-elected President for a second term of four years, again entering office on the 4th March, 1835. South Carolina had now relinquished its nullification doctrine, and the modification of the tariff had tranquilized the public mind on that subject. The Bill to re-charter the bank had been rejected by the veto of the President, but its existing charter did not expire till the year 1836; and as Congress had refused to remove the deposits from its custody, General Jackson determined to compass that end by other means. Some changes had taken place in the administration. Mr. Livingstone, Secretary of State, had been appointed minister to France; he was replaced by Mr. Maclane, Secretary to the Treasury, who had declined to remove the deposits from the bank though urged by the President to do so, after the Committee of Ways and Means had reported against their removal. Mr. Duane succeeded Mr. Maclane, but he was not more pliable than his predecessor. However, the President prevailed on him to appoint Mr. Amos Kendall as an agent, to communicate with the several states to ascertain on what terms they would receive the public deposits. The negotiator proposed as a basis that they should mutually guarantee each other. This was refused, and then the President determined to remove them at all hazards, but in that a

vengeance he required the co-operation of the Treasury. Mr. Duane objected to lend his ass officially ordered by Congress to take so extreme. To extricate himself from this dilemma he convened his cabinet on the 10th September, denouncing the bank in unmeasured terms, and placed all the responsibility of removing the deposit on the 1st of October next following to carry out execution. Mr. Duane reflected on the subject, and on September 15th formally announced to the President to carry his order into effect, and further, that he signed. As the Secretary to the Treasury was thus empowered to give a legal order for the transference, the President deprived Mr. Duane of his office, succeeded by Mr. Taney, the Attorney-General, who issued the necessary order. The public moneys were removed to the local banks of such states as they chose to select. At the time when these measures were adopted the government deposits amounted to \$4,350,000 dollars, the whole of which were removed in a few months, the greater part during the first four months of the year. When this arbitrary blow was struck, the country was prosperous in all departments, and commercial activity was established. The advances of the bank to the community, on the 1st October, 1833, exceeded \$10,000,000 dollars, and the directors immediately limited the accommodation, the consequence of which was immediate general distress. Strictly speaking, the removal was not an illegal act; it was technically covered by the charter; but as the bank had paid to the government \$1,000,000 dollars for its privileges, among which was the right to the deposits, as investigation had proved their worthiness, and as no act of malversation had been committed by the directors, the arbitrary act of the President, motivated by hatred and spitefulness, was worthy of no other than a severe reprobation.

THE FRENCH BUDGET.

M. FOULD'S FINANCIAL REPORT.

THE following report of M. Fould, the French Minister of Finance published at Paris on the 10th January :—

"Sire,—In addressing to your Majesty to-day my annual report enabled to place before your Majesty an almost complete *exposé* of the principal elements of our financial situation.

"BUDGET OF 1863.

"The year 1863 will give a better result than I had anticipated last report. In place of a deficit of 43 millions, this Budget will add 28 millions to our former deficit. The total of these difficulties stated last year as 972 millions does not amount definitively to more than 960. By means of the loan of 300 millions, now almost entirely liquidated, this amount will be reduced to 660 millions.

"BUDGET OF 1864.

"It is not yet possible to foresee with exactitude what will be the result of 1864.

"The new law as to sugars, by permitting the temporarily free import of raw sugars, has substituted for the former mode of levying duty guaranties dischargeable at the end of four months. The diminution of duties collected which will result from this change will not amount to more than 50 millions at the end of the current year; but it may be permitted to hope that the greatest portion of this sum, which belongs to the Budget of 1864, will be recovered during the first half of 1865. Save the exceptionality I have just pointed out, the provisions of the Budget of 1864 will be fully accomplished. In fact, if the customs show a diminution of duties, the taxation has been even more easily levied in 1864 than in preceding years; the taxes upon stamps, upon beverages, upon tobacco, and of postage, have at least an equivalent improvement. It is therefore certain that, if there is a deficiency in 1864, it will be limited to the diminution which may take place in the receipts arising from the consumption of sugars, and the Treasury will, nevertheless, have sustained a loss of 6,500,000*fr.*, in consequence of the suppression during the second half-year of half the second half-year upon registration.

"The non-realisation of the bonds of the Mexican Loan which were received in reimbursement of our advances, conformably to the Treaty of Miramar, cannot be considered as a deficit. These bonds, calculated at a rate of 60*fr.*, represent a sum of 54,000,000*fr.*, 40,100,000*fr.* of which will be paid to the Budget of 1864, and 13,900,000*fr.* to the Budget of 1865. The situation of the Treasury enables us to await more favourable circumstances for the negotiation of these bonds, which there is every reason to believe will belong in coming to pass. In the meantime the budget of 1864 will be advantaged by the interest of the nominal capital at the rate of 6 per cent.—i.e., by a sum of 5,400,000*fr.* With regard to the 12,500,000*fr.* which is to be paid by the Mexican Government from its own resources during the second half of 1864, and which appear in the Budget of that year, they have been regularly discharged.

"Although the past year has been favoured by an abundant harvest, our business has had to suffer by the continuation of the American war.

arrangements which have weighed upon enterprise. It has, nevertheless, been less severely tried than other countries. The rate of interest was for a short time at 8 per cent., in England it was raised to 9 per cent., and has always been higher than in France. Despite the inconvenience this occasionally occasioned, the prudence of our commercial men has prevented a large number of failures and their importance has only been limited. People have been much occupied with seeking to reduce the rate of interest some years past, at frequent intervals and at almost every session have brought about the rise in the rate of interest, and have recently addressed to your Majesty to ask that this be the subject of inquiry. The Bank of France has seen the necessity, and, although convinced that no blame could be placed upon it, it has itself manifested the desire to have the rate of discount take place, and should be extended to all the facts of the dearth of capital. If your Majesty should deign to accept of such a useful manifestation to reassure the public, a favourable public opinion will result from the impartial and frank discussion of this important question. I will not terminate my report on the results of 1864 without stating that we have been faithful to the strict execution of the prescriptions of the law of December 31, 1861. Although we have had to make large disbursements in Algeria, and to send thither considerable reinforcements, that we shall not ask any supplementary credit of Parliament, and that if this eventuality should occur, which I have not yet ascertained, it will be restricted within very narrow limits.

ANTICIPATORY BUDGET OF 1865.

The sum opened for the Anticipatory Budget of 1865 amounts to 36,000,000f.; but this sum cannot fail to be reduced. In fact, the less ruling the arrangement of the expenditure, the more will be anticipated in the Budget of 1865 will be found in the balance, by a sum estimated at 36 millions at least, to give rise to corresponding abatements. (The total of the sum has been—in 1859, 52,439,932f.; in 1860, 48,544,882f.; in 1861, 48,544,882f.; in 1862, 71,427,144f.; and in 1863 this amount will be increased by the increase which this Budget will necessitate will be 46 millions. Upon the other hand, the sum opened for the anticipatory Budget amount to 36,000,000f. plus will therefore result of 18,000,000f., which may be added to the ordinary Budget of 1866.

Means of expenditure in the anticipatory Budget of

Ministry of War, 36,000,000f.

asked last year for this service in the rectified Budget

Ministry of the Marine and the Colonies, 29,000,000f.

asked last year for the Ministry of Marine and the Colonies, 29,000,000f.

Public Works, 4,500,000f.

Ministry of Public Works was only charged with a sum of 4,500,000f. in the rectified Budget of 1864.

Finance :—

"New Post-office, 6,000,000f.; re-coinage of silver, &c., 3,000,000f.

"5. Some further expenses for the Ministries of the Interior, of Instruction, of the Emperor's Household, and of the Fine Arts, and of Algeria—together, 2,600,000f.

"The revenue of the rectified Budget of 1865 arises principally:

"1. From direct and indirect taxes, which were calculated with moderation in the Budget voted 18 months ago. Their total value would exceed 31,000,000f.

"2. From the annuity due by Mexico, 25,000,000f.

"3. From a sum to be received from the companies of Orleans and Lyons, 3,000,000f.

"4. From the payment of a credit reserved for inundations, 1,000,000f.

"5. From some other sources, amounting together to 3,300,000f.

"ORDINARY BUDGET OF 1866.

"The ordinary Budget of 1866 contains no new burden upon the taxpayers, and we have even ceased to include the tax upon equipage and horses kept by private persons. By your Majesty's order, a Bill was presented for the purpose of including this tax in future in the ordinary Budgets. Notwithstanding this diminution, the ordinary Budget of 1866 balances at present with a surplus of over a million, and we have nevertheless been able to increase the amount devoted to the Ministry of Marine by 2,500,000f., and that to the Ministry of Public Works by 1,500,000f.

"EXTRAORDINARY BUDGET FOR 1866.

"The Extraordinary Budget for 1866 amounts in revenue to 145,000,000f., and in expenditure to 144,500,000f., thus leaving a surplus of about 500,000f.

"The resources of this Budget consist of,—

"1. The sum of 18,000,000f. (of which I have already spoken, and which forms the surplus of revenue of the Anticipatory Budget of 1865.)

"2. 90,000,000f., arising from the Sinking Fund.

"3. About 29,000,000f., (being the amount of the indemnity to be received from Mexico, China, and Cochin-China.)

"4. 7,500,000f. (arising from divers sources, which are detailed in the draught of the Budget.)

"The principal items of expenditure are:—

"FOR THE MINISTRY OF PUBLIC WORKS.

"Subvention and annuities to the railway companies, 22,200,000f.; guarantee of interest to the companies, 31,000,000f.; railway works executed by the State, 5,400,000f.; works for bridges and roads, 38,800,000f. total 97,400,000f.

"For the Ministry of Marine, destined for the continuation of works for the transformation of the fleet, 12,500,000f.

"All the other Ministries and the Government of Algeria obtain at least equal to those which were accorded them last year; these amount together to about 34,000,000f.

"FLOATING DEBT.

"It remains for me to make known to your Majesty the state of the Floating Debt. As I said at the beginning, the total of our deficits

3 amounts to 660,000,000*f*. The Floating Debt is more than this sum. The difference arises :—
of 15,000,000*f*. (which we have to receive on the

the levy of the duties on sugar, to the amount

ization of the Mexican Bonds, for 54,000,000*f*.
made by the Treasury, in virtue of divers laws
loans to industry, steamboat companies, &c.
e disposable funds of the securities by about

to these causes of the increase of the Floating
h we are placed of keeping up cash in hand for
Cochin-China, the Colonies, Algeria, and Rome.”

AND FINANCIAL ANECDOTES.

No. III.

RECTORS OF THE BANK OF ENGLAND.

of the directors of the Bank of England in
ensely rich. His villa was the boast of the
ing rooms were wainscoted with cedar ; his
those of kings ; and his judicious munifi-
e of the City, and procured him a seat in the
another director of the Bank of England at
Henry Furnese, one of the most enterprising
maintained at his private expense a complete
ough Holland, Flanders, France, and Ger-
stances he received the news of important
ong before the Government, and the fall of
largely added to his profits, owing to his early
he condescended to communicate such intel-
s ministers, which loyalty King William re-
a by the present of a large diamond ring. It
y wished to buy, his brokers were ordered to
ious, hint at important news, and even effect
ements, of course, were closely watched ; the
he speculators having got fairly alarmed, the
equently 4 or 5 per cent. Now was the time
—of course to the immense benefit of their
ies are told of the wealthy Hebrew banker,

Medina, who accompanied Marlborough in all his campaigns, tolerably well proved that he prevailed upon the avarice of the commander to accept a regular annuity of £6,000. He later paid himself by expresses containing early intelligence of the battles fought, and Ramilies, Oudenarde, and Blenheim added as much to the purse of the shrewd Hebrew banker as the glory of the English nation.*

LOVE V. CHARITY.

Thomas Guy, the founder of Guy's Hospital, who was originally the son of a poor lighterman, gained an immense sum of money by selling up all the South Sea stock he could procure, and selling it just at the moment when the fever was at its height. He had been very penurious, and was in the habit of dining before the counter of his shop in Lombard Street—his dinner consisted of a penny loaf and a small bit of meat, with a piece of paper for a cloth; but, falling in love with his maid-servant, he resolved on the luxury of a wife. The match was agreed upon, and arrangements were in progress. Whether arising or not out of these arrangements, history says not, but at all events a portion of the pavement before Guy's shop had to be taken up, and he gave strict orders—that the expense would fall on himself—that the repairs should extend to a certain mark, and not one atom further. The *fiancée*, however, presumed somewhat upon her position, and ventured to direct the workmen to go a little over the boundary. This so enraged him that he not only broke off the match, but showed his spite to his once intended wife by declaring that he would give his money to found a hospital—a promise involving some quarter of a million which he faithfully kept.

THE GOLDSMID FAMILY.—THE MILLIONAIRE SUICIDES.

The history of the Goldsmid family has its sad episodes as well as its brilliant pages. Perhaps no financial firm had a higher reputation at the beginning of the present century than that of Abraham Goldsmid, the Jewish bankers and money brokers.

* *Railway News*, April, 1864.

ed highly as merchant princes, but they were generous and noble dispositions. Like many n, their origin was an humble one. In Good- usly poor neighbourhood, towards the end of was a broker's shop. This shop was kept by and Benjamin Goldsmid. The business pros- rs set up as money-lenders near the Exchange. ate enough to make the acquaintance and gain ham Newland, chief cashier of the Bank of an made the brothers Goldsmid his financial here was an understanding, on the part of the ank of England, that a portion of the Govern- ys be reserved for the chief cashier of that war time too, and loans were frequent. To to such a man was, to use perhaps an appro- th a Jew's eye." The firm of the Goldsmids eir contracts for loans being on a large scale, arge profits. The brothers became immensely miserly. On the contrary, they gave magni- ribed handsomely to charitable objects, and incely style. But both brothers came to a

the younger brother, lived at Roehampton, a before the ruthless invasion of railways. He fectionate wife, and a charming family. To e went for the last time, after business hours, 1808. On the following morning he was own bedstead, and the jury who met to de- is death declared that he was afflicted with t was naturally concluded that unfortunate d upon his mind.

of the family were yet to culminate in the ther. Whether the mind of Abraham Gold- r the suicide of his brother, or whether it was vice of the deceased was a serious blow to the that the speculations of the survivor were

Loss after loss followed, and, at last, Mr. ayed for a desperate stake. He and Mr. eted, in 1810, for the Government loan of

14 millions. The stock fell, and fell, and continued falling said, Mr. Goldsmid's losses reached a quarter of a million. 28th September, 1810, the loan was at $6\frac{1}{2}$ discount, and on the day of that day Abraham Goldsmid left the City gloomily for home. He had a splendid mansion at Morden, not many miles from London where his brother had lived. There was no great change in his demeanour observable at dinner time ; and after a game of billiards he went out into the grounds for a walk. The report of a shot was heard. Abraham Goldsmid had shot himself. Next day the Government loan of 14 millions fell 5 per cent.

Two anecdotes of Abraham Goldsmid are related, though the proofs of his good-nature have probably died with him. He was regularly at one hour, and noticing that the waiter was nervous and spirited, the kind hearted Jew inquired the cause. He found the man was in pecuniary difficulty, and he instantly gave him the amount he required, refusing to receive any acknowledgment of the money, or even any thanks. At another time Abraham Goldsmid became acquainted with a clergyman of the Church of England who was but little better off than Goldsmith's village curate, and who was "rich with forty pounds a year." Commiserating his poverty, Goldsmid actually sent the clergyman a letter informing him that his share in a new loan had been allotted to him ! The good clergyman stared with astonishment when he received the letter, and, suspecting the conclusion that some hoax was being played, he put the letter on one side. The next day, however, another letter arrived, giving him the pleasant information that a goodly sum had been realised in the transaction.

BLACK MONDAY.

When the failure of Alexander Fordyce, of the firm Neale & Co. became known—when it was discovered that his name was attached to bills in circulation, to the tune of £1,000,000 millions—there was immediately a panic. The news transpired on Monday the 8th of June, 1772, and so disastrous were its effects that the day was commonly called "Black Monday." Among the events in Scotland, was the destruction of the first joint-stock bank of Douglas, Heron & Co., at Ayr, with a capital of some £96,000 a proprietary of about 140 shareholders. When the news

failures became known in Scotland, there was im-
n this bank. In vain did some of the leading
them the Duke of Buccleuch—implore the Bank
ance : it was refused, and the bank fell, dragging
good Ayrshire family.

EMMY WOOD OF GLOUCESTER.

extraordinary miser-banker, James Wood, of
y called Jemmy Wood, who was at the least a
th. In 1716 there was in that town which is
single" and "double" cheese, a little chandler's
pository of soap and pack-thread, cheese and pins,
and any other heterogeneous mixture for which
o famous, was kept by James Wood, who added
ndlery a little bill-discounting. James Wood
er James Wood—the son—preceded, and yet
d—the grandson. The latter was the Jemmy
ne historical—the millionaire banker and the
the chandler's shop had come into possession of
was of a goodly size, for it had been successively
not only a chandler's shop but a bank ! Yes,
ank. One part of the shop was for the miscel-
another for the filthy lucre—for bills, notes, and
this strangely arranged, or disarranged shop
quality ;" and while Jemmy Wood was, for
a bill for my lord in one part of the shop, a
r there were but two clerks to the whole esta-
serving half a pound of double Gloucester at
mmy Wood lived penuriously, finding a miserable
ese-paring economy (both in the Old Gloucester
Gloucester cheese), and when he died his will
ed by his relatives as to remind one of Actæon
own hounds.

BANK NOTES ISSUE BILL.

THE following bill to make provision for empowering country banks to obtain relief from certain restrictions, upon payment from time of a certain charge in respect thereof, has just been introduced into the House of Commons by the Chancellor of the Exchequer :—

Whereas divers restrictions are imposed by act of parliament on bankers in England issuing their own bank notes : and whereas it is expedient to permit the said bankers to exempt themselves from the said restrictions by payment of such percentage on their issues of notes as is hereinafter mentioned : Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :—

1. This Act may be cited for all purposes, as "The Country Banks Notes Issue Act, 1865."

2. This Act shall not extend to Scotland or Ireland.

3. This Act, and the Act 7 and 8 Vict. c. 32, to be read as one Act.

4. Definitions.

5. There shall be repealed, so far as respects any bank of issue taking to pay such percentage on its issue of bank notes as is hereinafter mentioned, any provision of any act of parliament whereby the number of partners in certain banks of issue is restricted to six, or whereby banks of issue are prohibited from having a house of business or establishment as bankers in London, or at any place not exceeding sixty-five miles from London, or whereby banks of issue are prohibited from issuing or making payable bank notes in London, or at any place exceeding the distance of sixty-five miles from London; subject to the proviso, that nothing in this act contained shall authorise any bank to issue or re-issue bank notes within the city of London, or within six miles thereof.

6. Any bank of issue, or any number of banks of issue, may transfer to any other bank of issue the right of issue vested in it or them, or any part or parts thereof, on such last-mentioned bank undertaking to pay such percentage in respect of its own issue, and of the issue or issues so transferred as is hereinafter mentioned.

7. No change in the personal composition of any bank that has accepted the conditions of this act, and no alteration in the constitution of any bank made in accordance with law, shall affect or prejudice the exercise by the bank of the rights and privileges conferred on it by this act.

8. Provides that the issue of banks accepting conditions of act, shall continue till 1st January, 1890.

9. The undertaking of a bank for the purposes of this act shall be bound to Her Majesty, &c., in such sum, as may be prescribed by the Commissioners of Inland Revenue, with the sanction of the treasury. The undertaking may be executed by the bank or the public officer thereof, or such or some of the directors or managers thereof or partners therein, or all or any of the said parties, as the said commissioners, with such sanction as aforesaid, shall think fit to make obligors. The commissioners, when they have approved the undertaking of a bank, shall forthwith publish in the "London Gazette" notice of such bank having entered into such an undertaking; and the notice in the Gazette containing such notice shall for all purposes be conclusive evidence of the fact therein stated, and the said undertaking shall

Effect from the date of the publication of the notice in the

bank that has accepted the conditions of this act in respect of a percentage on its issue of notes, and which bank is entitled to as a privileged bank, shall pay into the receipt of the Receiver-General a sum after the rate of £2. 5s. by the year upon the average amount of bank notes circulated by that bank of a year. For the purposes of this section, the average amount of bank notes circulated during any quarter by any bank shall be the monthly averages as ascertained by the Commissioners under the Bank Act, 1844. The percentage payable on shall be instead of license duty and composition for the issue of bank notes issued by a privileged bank, and no bank shall be required by any bank paying the same, and shall be entitled to the same privileges in respect of the issue of bank notes if it were duly licensed and had duly paid composition for the same. The said percentage shall be paid quarterly to the Receiver-General on the 31st day of March, the 30th day of May, the 30th day of September, and the 31st day of December in every year. Payment shall be made on the first of the said quarterly periods after the publication in the Gazette of the notice of the rate to be paid, and shall consist of the proportion only that shall be due up to the said day.

Every bank taking by bond given by or on behalf of a bank in pursuance of this act shall be renewed from time to time as the Commissioners may require; and if any privileged Bank refuses or neglects to give any such bond, after being required so to do by notice in writing by or on behalf of the Commissioners of Inland Revenue, it shall incur a penalty not exceeding £100, to be recovered by Her Majesty's superior courts, and on being convicted shall forfeit to the Crown all its rights of issue.

The Commissioners of Inland Revenue shall from time to time on the application of any privileged bank, certify to that bank the amount of notes issued by it; they shall also, at the expense of the bank, publish a certificate in the next succeeding London Gazette in which the amount shall be conveniently inserted; and a copy of the Gazette in which the certificate is made shall be conclusive evidence of the amount of notes issued by that bank is authorised to issue.

If a privileged bank become bankrupt its right of issuing notes shall be determined, but there shall be paid by the Bank of England out of a part of the assets thereof, by way of compensation for the loss of its right to issue notes, a sum equal to the then present value of the right at the rate of one per cent. on the average quarterly amount of notes issued by the bank during the preceding year, and payable to the Bank of England until the 1st of January, 1890, or as long as it can be ascertained. Any compensation paid by the Bank of England in pursuance of this section shall be repaid to it out of Her Majesty's Exchequer, in such manner and at such time as may be agreed between the Commissioners of the Treasury and the Bank of England. If a bank of issue assume to act as a privileged bank without complying with the provisions of this act entitling it to do so, the right of issue in that bank shall be forfeited to the Crown, and may be exercised either by being altogether extinguished, or by being transferred to another bank, as to the treasury may seem good.

15. A privileged bank, notwithstanding it carries on business in or within sixty-five miles thereof, may, on obtaining a license, as by the act of the ninth year of the reign of King George the third chapter twenty-three, compound for the issue on unstamped promissory notes payable to order at any period not exceeding six months after sight, and its bills of exchange, wherever payable, in manner provided by the last-mentioned Act, and shall be entitled to all the privileges exercised or enjoyed by it previously to its becoming a privileged bank.

16. The Bank of England may compound, in manner provided by the Bank Act, 1844, with any privileged bank, in the same manner as it is thereby empowered to compound with banks of issue that are not privileged.

17. A privileged bank of issue shall be subject to all the provisions of the acts of parliament relating to banks of issue, except in so far as they are repealed by this act in relation to such bank.

BANK OF IRELAND.

THE following bill, to make further provision for the management of the unredeemed public debt in Ireland, and for the reduction of the interest payable on certain sums advanced by the Bank of Ireland for public service, has been brought into the House of Commons by the Chancellor of the Exchequer:—

Whereas it has been agreed that the rate of interest hitherto payable to the Governor and Company of the Bank of Ireland on the sums advanced for the public service shall be reduced, and that provision shall be made for the payment to the said governor and company for their management of the unredeemed public debt in Ireland: Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1. From and after the 6th April, 1865, certain provisions of the Acts 8 & 9 Vict., c. 37, shall be repealed as relates to the payment of interest on said sums, amounting to £2,630,769. 4s. 8d., and the whole of the third section of the said act, shall be and the same are hereby repealed.

2. There shall be paid to the Governor and Company of the Bank of Ireland, on the 6th April, 1865, out of the Consolidated Fund, in discharge of the said sum of £2,630,769. 4s. 8d., at the rate of £3. 5s. per cent. per annum, for the quarter ending on the 5th day of April, 1865.

3. Provides that from 6th April, 1865, interest on the debt to be redeemed of Ireland be reduced to £3 per cent. per annum.

4. There shall be paid to the Governor and Company of the Bank of Ireland, on some day between the 6th April and the 5th July, 1865, out of the Consolidated Fund, for their charges in the management of the unredeemed public debt in Ireland for the year ending on the 5th April, 1866, and in the like manner on the same day between the 6th April and the 5th July in every succeeding year, for the management of the debt for the preceding year ended on the 5th April, in each year until the 5th April 1886, and thenceforth in any and every succeeding year. No Parliamentary remuneration shall otherwise direct, remuneration at the rates fixed by that is to say:—1st. While the whole of such unredeemed debt

of Ireland, computed as hereinafter mentioned, shall be £30,000,000, a sum at the rate of £450 per annum for the capital. 2d. While the whole of such unredeemed debt shall exceed £30,000,000 and shall not exceed £40,000,000, a sum at the rate of £300 per annum for each million of the capital. 3d. While the whole of such unredeemed debt shall exceed £40,000,000, a sum at the rate of £150 per annum for every million of the capital up to £40,000,000, and at the rate of £150 per annum for every million of the capital amount. Provided always that in estimating the amount of the debt for the purposes of this act, annuities for terms of years shall be taken into account, and shall for the purpose of making a purchase be valued at fifteen years purchase, if originally granted for a term of more than fifty years, and at ten years' purchase if granted for a term of years or under.

the Commissioners of National Debt shall transmit to the Secretary of the Treasury the amount of the debt in Ireland, and the allowance to be computed thereon.

Legal Miscellany.

R. PROCURING DIRECTORS.—DRAPER AND ANOTHER V.
THE IMPERIAL BANK.

fore Lord Chief-Justice Erle, in the Court of Common
February.

on to recover remuneration for having procured three
me directors of the Imperial Bank, Limited.

and Sir George Honeyman, appeared for the plaintiff; C. C., Mr. Brett, Q.C., and Mr. Turner, for the defendants. Mr. Draper was a wool broker in London Wall, and the defendant, Mr. Carati, was an insurance broker in Threadneedle Street. It was that the Imperial Bank was founded in 1862, and at the end of that year they became aware that it was thought the board of directors should be strengthened by the accession of a few merchants of eminence, and they consequently set about this result. Mr. Draper was acquainted with Mr. Edenborough, who was also in the wool trade, and who was a director of the bank. Mr. Edenborough consulted his brother directors, and after they were well pleased with the proposal, provided that the persons introduced were first-class people. It was stated that when they joined the board, should have an allotment of shares at the then market price; £20 had been paid upon the shares, and £2 premium. At the first meeting Mr. Draper had said that Mr. Carati would expect remuneration upon the same principles as the other directors. Mr. Edenborough requested Mr. Draper to consult Mr. Bentham, the manager of the bank, and he and Mr. Draper then mentioned that the names of the new directors should be Petrocchino, of the firm of Rodoconachi, Sons, and Antonio, and P. C. Ralli. The plaintiffs introduced these persons, and mentioned, both to Mr. Bentham and to the defendant, that they, the plaintiffs, would expect remuneration, and that in Messrs. Petrocchino and Ralli became directors.

and received an allotment of 2,000 shares. The arrangement proved advantageous to the bank that the shares rose rapidly, until they gave a £26 or £27 premium. The Greek gentlemen gave the plaintiffs 100 shares each at 22, they being at that time 26 in the market, and plaintiffs' claims were afterwards applied to the bank for an allotment of shares, but this claim was not recognised. Some correspondence took place, and after a time Mr. Lusk, Murdock, and Westley were appointed a committee of directors to see and confer with Messrs. Draper and Carati, and to learn from them the grounds on which they assume a claim against the bank." The committee did not in fact see the plaintiffs, but on the 17th of May the plaintiffs received a letter, which stated, "Your letter of the 23rd of February has been read before the board and considered; and I am instructed to inform you that the directors cannot recognise the claim you have put forward." The plaintiffs were made by the plaintiffs to refer the subject of their claim to arbitration, but this was not acceded to by the defendants; hence this action.

Mr. Bovill submitted that there was no evidence of any contract which would bind the shareholders of the bank, for the only way in which the bank could be bound was by the act of the board of directors, whilst here all that was said to have been done was by an individual director and by the majority.

Mr. Field, on the other hand, contended that although the bank was a corporation, still it was a corporation of a peculiar kind. It was formed under the Companies Act of 1862, and that act placed no limitation upon the power of the directors to make a contract. In addition, it was said that the directors had ratified what had been done, by acting upon the recommendation of the committee.

The Lord Chief-Justice, after some discussion, said that he would stop the case, but would give the defendants' counsel leave to move for a nonsuit.

The case for the defendants was that when the bank was originally formed, the question was discussed whether they should have some Greek gentlemen on the board, but the suggestion was not at that time adopted. The bank having prospered, the three gentlemen who had been named as directors were very desirous of joining the bank, and the negotiation was opened at their instance, and not at the instance of the bank. It was not true that the plaintiffs had ever been promised anything on behalf of the bank, or that Mr. Edenborough or Mr. Bentham had ever assented to any suggestion that they should be remunerated. The first thing that Mr. Edenborough heard of remuneration was after the Greek gentlemen had been introduced to the bank, when Mr. Draper wrote in these terms:—"Should I be justified in asking you as a director to make an allotment of 100 shares each to Carati and myself, who have negotiated the matter, such shares to be given to us at the same rate as to our Greek friends?" It was contended that the terms of this letter were strong to show that there was no contract. Subsequently there was another letter that Mr. Carati thought that the directors might allot them 200 shares each.

The jury found a verdict for the defendants.

THE COMPANIES ACT, 1862.—*RE THE SCOTTISH AND UNIVERSAL FIRE INSURANCE BANK, LIMITED.*—*EX PARTE JAMES SHIP.*

THIS case was heard before Vice-Chancellor Wood, in the Court of Chancery, on the 16th February.

It was a motion of a novel character, and was in fact, we believe, the

section of the Companies Act, 1862, has been taken advantage of. This section provides that when a shareholder's name has been improperly inserted on the register of a company, and is moved by the shareholder will order his name to be struck off. In the case Mr. Ship authorised the directors of the above company to insert his name on the list of shareholders, believing from a prospectus that it was a banking and bullion company. The objects of the company the objects of the company were those proposed in the prospectus, and railway making, and other works, &c., were included. The Company is now being wound up. The petitioner moved that his name be struck off the register, as the company is essentially different to that which he intended to subscribe.

Mr. and Mr. Locock Webb were for the motion, and Mr. Morris opposed.

The learned Judge stigmatised the conduct of the directors in acting in this manner. The petitioner had given them authority to insert his name on the register of a banking company, and they had inserted it on the register of a railway company. The petitioner's name must be struck off the register, and the costs of the application.

IMPERIAL PRIVILEGED UNION BANK OF AUSTRIA.—BARON DE THIERRY v. ANOTHER V. LORD FERMOY, M.P., AND OTHERS.

Decided in the Court of Queen's Bench, before the Lord Chief Justice, with a special jury, on the 20th February.

The plaintiff sought to recover the sum of £20,000 for the assignment of the Imperial Privileged Union Bank of Austria.

The defence by the defendants' pleas was substantially a denial that the bank was not duly obtained by the defendants, that the bank was not formed or the shares allotted within the time of the agreement; and further, that the defendants were not bound to accept and pay for the concession as agreed between the Austrian government afterwards made material alterations. The defendants further pleaded that the agreement was not an Austrian contract, and to be carried out and enforced in the empire of Austria, and that the validity of the agreement entered into was and is illegal and void as against public policy and incapable of being legally enforced by the courts of England, though they well knew, but which the defendants did not intend to make the agreement.

Mr. Mellish, Q.C., and Mr. Kingdon were counsel for the plaintiff, and Mr. Lush, Q.C., Mr. Hawkins, Q.C., and Mr. Garth, were counsel for the defendants.

The learned Judge, in giving the case to the jury, said this was an action to recover the sum of £20,000 in reality, and interest from the sum of £1,800; and also to recover the sum of £1,800 for certain expenses incurred in carrying out the agreement entered into between the plaintiff and the Austrian government from the Austrian government in Austria a bank upon the limited liability system. The plaintiff, Baron de Thierry, was a gentleman of con-

siderable distinction, and was for nearly thirty years minister of the Austrian empire. He retired from the public service of his country in 1861, receiving the thanks of his sovereign and the highest pension. He was admitted to be granted in Austria to a public servant, and at the time of this concession was granted he had ceased to be a minister of the empire. Mr. J. O. Lever was well known as a promoter of the Galway Banking Company, and M.P. for Galway, and for some time past he had interested himself in promoting matters of interest to this country, and also in the establishment of a banking system in Austria. Mr. Lever having become acquainted with Baron de Thierry, was desirous of promoting and establishing the English banking system in Austria. In Austria, it appeared, there were only seven banks, with their branches, whilst there were in Great Britain something like 12,000, and it occurred to Mr. Lever that it would be very desirable to introduce the English banking system into Austria. The Emperor also appeared equally desirous that it should be done; and after considerable communication had been taken place between Mr. Lever and the Austrian government, the Emperor, Baron de Thierry, the Austrian government, on the 8th of December, 1862, granted a preliminary concession to Baron de Thierry and Mr. Lever, authorising them to take steps for the formation of a banking company subject to two conditions—first, that proof should be given that the necessary means would be forthcoming for carrying on the bank at Vienna; secondly, that the draft of the statutes should be framed according to the Austrian laws, the statutes being what are called in this country articles of deed of settlement, or articles of association. Having obtained the preliminary concession, it became necessary to provide a capital for carrying out, and Mr. Lever put himself in communication with Lord Fermoy, for Marylebone, who was then chairman of the Metropolitan Provincial Bank, and the result was that it was determined that Lord Fermoy should go to Vienna and see the authorities, both on his own behalf and those with whom he acted, and £200 was advanced to Mr. Lever to Lord Fermoy to pay the expenses of this mission. A correspondence afterwards took place between Lord Fermoy and Mr. O'Byrne, another defendant, on the one side, and Mr. Lever, Baron de Thierry, and the Austrian government, on the other. In Lord Fermoy's last letter to the Austrian Finance Minister, before leaving Vienna, he asked to be informed whether the preliminary concession would be finally confirmed, as little delay as possible as was consistent with the due examination of the adaptation of the statutes to the Austrian laws, and he sent a copy of the letter to Baron de Thierry. The Finance Minister replied that the Austrian government would grant every facility with regard to the proposed banking company to be established according to the Austrian laws. The statutes were afterwards prepared and approved by Lord Fermoy, and submitted to the Austrian government in February, 1863. The principal establishment was to be in Vienna, and it was arranged that the president of the bank in that country should receive a salary of £1,000 a year, and Lord Fermoy, as the chairman of the English bank, £800 a year. Lord Fermoy and Mr. O'Byrne entered into the preliminary agreement for the purchase of the bank, although it was evident there were certain capitalists behind the cause at a subsequent period Messrs. Masterman and Co., and Messrs. Overend, Gurney, and Co.'s names appeared in the course of the negotiations. The arrangement entered into and signed by Lord Fermoy and Mr. O'Byrne was that they would pay the plaintiff £1,800 expenses, and a further sum of £30,000, half in cash and half in shares, on the a

ite concessions, and within 30 days after the allotment of bank. There was also a further arrangement between out of the £30,000 Lord Fermoy and Mr. O'Byrne should bringing the matter about, and procuring the assistance carry out the undertaking. The next step was to submit the Austrian government, and a paper was accordingly for- Austrian government signed by Lord Fermoy, four of the rs. Masterman and Co's bank; the brokers, Messrs. Hill, ; Messrs. Kelson, Tritton, and Co.; Mr. Wm. Dent; nd Robertson; and Messrs. Robertson, Fleming, and Co. ubt that O'Byrne was acting for Messrs. Overend, Gurney, they introduced the matter to Messrs. Masterman and Co. aintiffs were authorised to take the necessary steps for se-, and a prospectus was issued on the 4th or 5th of May, and y £1,600,000 was subscribed for out of the capital of two he 11th, more than the whole of the capital had been sub- siderable negotiation the definite concession was granted on er, and they were to declare the names of the capitalists and open the bank within three months, but which was led to six months. A definite prospectus, with the names was issued, and an allotment of shares took place; but not opened by the 3rd October, the Austrian government t cession, and the Anglo-Austrian Bank was established in amenced business in the premises originally intended for ana. The plaintiffs contended that they had performed bargain, and were entitled to the sum sued for. then called in support of the plaintiffs' case, which was documentary character. In one of the letters Lord tified as "71," for the purpose of telegraphing. on of the plaintiff's case, f Justice asked Mr. Hawkins whether, on the part of the ould materially alter the facts of the case. aid he did not think he could; upon that the Lord Chief t that it would be better that a verdict should be entered for the amount claimed in the declaration, subject to the ourt above, on a special case. The Court to have power ages to £20,000 if they should think fit. unsel on both sides agreed to this suggestion; and hen entered for the plaintiff, subject to the opinion of on a special case.

Reports of Joint-Stock Banks.

THE UNITY BANK.

shareholders of this bank was held in the London Tavern ary in order to consider the recent extraordinary con- ors in repudiating the acts and powers of the liquidators ointed on the 15th March last. There was a numerous strong feeling of indignation appeared to pervade the conduct of the directors. Dr. Cook, chairman of the

committee of liquidators, was called to the chair, and the notice of the meeting having been read,

The Chairman proceeded to say that he very much regretted the any necessity for calling them together again upon what he might call the Unity Bank swindle, but the extraordinary conduct of the directors rendered it imperative upon him again to call upon the shareholders at a public meeting assembled to consider the position of their affairs. As the bank stopped payment, they would remember that the directors were the only liquidators, and for eighteen months they never called a public meeting—they never offered any explanation of their conduct, they never gave the shareholders the least idea of the progress they were making in winding-up and realising the assets of the bank. At last the shareholders' patience became exhausted—a requisition was made to them to call a public meeting, and in February last a meeting was called, at which Mr. Alderman Mechi proposed there should be a committee of liquidators on behalf of the shareholders appointed to assist the directors in the winding-up of the affairs of the bank. That proposal was unanimously agreed to. He was so anxious to have the transactions of the bank legally and properly carried out that he waited upon the solicitor next morning to inquire whether the appointment that had been made was legally valid. The reply was distinctly in the affirmative. When the liquidators called at the office they found that there were a great many persons who owed money to the bank who had not been called upon to pay it, and also that there were many favourites of the bank who had not been called upon to pay the interest they owed. The liquidators, however, set to work earnestly, and in a short time compelled those persons to pay in £100,000 on account of money owing, and the favourites were in like manner compelled to pay up. They also examined a bill of the London and Manchester Bank of £6,000, from which they took off no less than £3,400, and found that the security-book of the West-end branch had been lost, and that many of the securities which had been given were not entered in the security-book at the chief office. In consequence of their efforts they were able to call a meeting of shareholders in September last, and returned to them £3 a share, after paying all the debts of the bank. (Heard.) But the liquidators had also discovered that the directors had received money without the sanction of the shareholders, and they had commenced proceedings against them for the recovery of that money. The directors pleaded guilty to the last amount of £50, but with regard to the rest they had pleaded the Statute of Limitations. (Cries of "Shame.") He said that the directors had proved themselves incompetent, incapable, and neglectful as directors and as liquidators. (Cheers.) The liquidators returned in a short time after their appointment returned £3 a share, and they soon have wound up the affair if they had been seconded by the directors. They had also instituted proceedings against the late manager and secretary, not only to show that their position was an important one, but also that they could not violate their trust with impunity, but also to protect the *bona fides* of the liquidators to the Guarantee Society, which was a guarantee for the manager and secretary to the amount of £3,000. After the document issued by the directors, of which an abstract had already been published in the *Bankers' Magazine*, the directors said, in order to prevent the shareholders from being troubled in Chancery the liquidators had resigned. They, however, knew that the shareholders ought to do, what money they ought to have, and they, the liquidators, would watch their proceedings with

hear.) The directors were now trying to throw on the
 sense of prosecuting the late manager and secretary. At
 ch the prosecution was decided upon, although they did
 did not vote against it; on the contrary, they entirely
 were as much parties to that prosecution as the liquidat-
 uth was, the excuse was a mean and paltry one on the
 s. They wanted the proceedings against themselves to
 as those against the secretary and manager, and they
 examination at the Old Bailey, which they would be
 l to. Mr. Heywood, one of the directors, was also a
 rantee Society, which was surety for the late manager
 could assure the meeting that if they did not get the
 three months, and have £3 a share more back, if the
 and their affairs were thrown into Chancery, they would
 ectors and not the liquidators to blame for it. Dr. Cook
 ng a resolution in accordance with his statements, and
 e conduct of the directors in repudiating the acts and
 dators rendered it necessary in order to save the bank
 into Chancery that these gentlemen should resign their
 tors, and they tendered their resignation accordingly.
 ed if it would not be better if some one else moved the
 of the chairman.

ainly.
 , as one of the liquidators, he begged to second the re-
 ing so to state that the liquidators were going on satis-
 winding-up, when they were suddenly stopped in their
 e of the directors. (Hear, hear.) He was happy to say
 was not at the meeting at which the resolution was
 irectors, and that he washed his hands of it. He was
 ecause he had stated on former occasions that though in
 alderman had shown weakness and sometimes acted
 ed him to be actuated by the best motives, and that he
 e best intentions. (Hear.) The three directors who had
 ion were Deputy Bower, Mr. Eyre, and Mr. Heywood.
 hree gentlemen who were determined to set aside the
 dators of the bank. With regard to the letter they had
 eholders in justification of their conduct, he thought
 verbiage of which much of it consisted, and its state-
 rs with which every shareholder was familiar before,
 e gone a little further back, and told how it was that
 ars the bank was under their direction they had lost
 e paid-up capital, and had then remaining only the paltry
 e. He should like to have some explanations respecting
 lance-sheet made up in December, 1862, which stated
 due to the shareholders, and yet during the period in
 ngs should have been held, and subsequently to that
 irectors did not tell the shareholders of the losses
 place. He should like to know how it was that when
 ed to hold a meeting in February of last year, it was
 00 had dwindled down to little more than £40,000, and
 id no part of the sums due to the shareholders who
 o the London and Middlesex Bank. Again, when the
 1863 was presented, they were told that though no
 l happened, only about £8,000 would be received for

the Unity shareholders; they did not declare positively that even a small amount would be paid; but they promised fair, though he thought that these promises and statements would have turned out like those that preceded them, and he sincerely believed that but for the appointment of a shareholders' audit committee and their report, which led to the appointment of a committee of liquidators, that instead of what they would not have been paid £1,000, while the liquidators in three months had realised not £8,000, but £10,000. (Cheers.) In addition to this, a claim of £4,400 on the bank had been settled by the liquidators for £1,000. (Hear, hear.) The directors would never have found out the unjust and unfounded nature of that claim, because they said that it had been ticked off and verified by their accountants, Harding, and Co., and therefore the whole of that sum would have been paid to the detriment of the shareholders. He would say further, that if the liquidators had known as much of that claim at the time it was settled for a smaller amount, they never would have paid one farthing of it, and it had been since ascertained that the amount placed to the debit of the Unity Bank might as well have been placed to the account of a bank in New Zealand or Australia. (Hear, hear.) The directors had never kept a single book of entry in their own bank of this claim. It was as if it was a pass-book with another bank, and they never rendered an account of it until the liquidators demanded it. Yet these were the men who had turned round upon the shareholders and repudiated the acts of the liquidators appointed by them, who said that the directors must not be prosecuted without their consent, and who pleaded the Statute of Limitations as a bar to the claims that had been made upon them for repayment of the sums lost. He believed, however much that statute might be a bar in a common law court, it would not be a bar in a court of equity, or it would have been pleaded before this time. It was very well for the liquidators to say that they had resigned, but the fact was they had been deposed. The directors had no power to do so by the terms of the royal charter, but for the liquidators were duly appointed at a legally constituted meeting of the shareholders, and in repudiating them the directors were like those who repudiated the acts of the shareholders themselves. (Hear, hear.) The directors thought themselves justified in that course, why did they not call the shareholders together within fourteen or fifteen days, and state their views on the matter? (Hear, hear.) But that did not suit them. They now contended that this meeting not being called by them, and given seven instead of fourteen days' notice, they were not bound to attend, and they would not honour it at all by their presence, and if the liquidators proceeded further they threatened to go to the Court of Chancery for powers to wind up the bank out of the court. If that was done, Mr. Howell, the able accountant of the liquidators, would be deposed, as well as the friends of the directors. Messrs. Harding, Pulein, and Co. would be called in, a fresh set of expenses would be incurred, and if the shareholders getting anything back there would be a call upon them to make up their quota of these expenses. It was to prevent this that the liquidators felt called upon to resign. (Hear, hear.)

Mr. Sutton said before the resolution was put, that he was surprised and taken by surprise at the course which had been taken on that point. He must say that he hoped the resolution which would deprive the shareholders of the most valuable services of the liquidators would not be passed without some careful thought, and that the liquidators themselves

(Hear, hear.) It appeared to him that
 tors, which would be of great use to the

ers felt much obliged for the compliment,
 or would be thrown into Chancery the
 evil that would be inflicted, both upon
 the committee of liquidators, that they
 tion. They thought it would be a great
 property, that they should see it melt
 Court of Chancery. The London and
 , and Mr. Eyre's bill of costs would eat
 To throw the affairs of this bank into
 tive, and malignant act. (Cheers.)
 told that meeting was illegal. If so,
 liquidators at it be illegal? (Hear,

the solicitor and adviser of a client who
 at his side, he could not say that he
 the liquidators that day any more than
 If any fault could be found with the
 his opinion, that they had wasted so
 game, instead of aiming higher than
 underlings. (The Chairman.—“That’s
 fear that for the liquidators entirely to
 be for the public interest—(hear, hear)
 uld rather have a few pounds less out
 who had been engaged in what had been
 let off without adequate punishment.
 the liquidators should continue their
 as liquidators, as a committee of vigi-
 ner it was possible, as he (Mr. Merri-
 directors recoup the losses of the share-

to pleading the statute of limitations in
 the presence of professional men, who
 that there was no statute of limitation
 iary relations had been created, even if
 assets could be followed and realised
 if the liquidators felt bound, for their
 should not trust to vague promises on
 a clear written contract from them as
 were to be realised. (Cheers, and cries
 it out!”)

did not see how they could escape re-
 , they would be immediately put in
 some one in that room who would im-
 t to the directors, and for aught he
 be in Chancery. He did not see his
 ne shape keep together as a committee
 shareholders, were it not for the question

the liquidators not to come to a hasty
 days more, and give notice of a legally

constituted meeting of the shareholders, to which they could commit their ultimate decision.

The Chairman said, by resigning and avoiding litigation there shortly be a dividend of £3 on each share.

Mr. Hawkins, so far from feeling convinced by that reason, rather put his hands into his pockets deeper to pay for prosecuting really guilty parties. (Hear.) He did not believe the liquidators legally resign at that meeting, and they had better let the matter over. He should be sorry to think of their resignation, even if legal, for he was sure the meeting felt deeply indebted to them for the course they had taken in the matter, and for their valuable assistance hitherto. As to going into Chancery, he did not think the directors dare to do so.

Mr. Proctor said they were in this difficulty, that under the Royal Charter any meeting called with fourteen days' notice to be legal must be called by the directors. If any one present on the part of the directors would give an assurance on their behalf that they would call a meeting that would get rid of the difficulty.

Mr. Bazin said, as the partner of Mr. Alderman Mechi, he was sure he might state that he would agree to a meeting being called. (Hear.)

Mr. Josiah Merriman suggested that the best course would be to request the directors to be signed from that meeting requesting the directors to call a meeting. If Alderman Mechi consented to call that meeting, and the directors refused, and afterwards went to Chancery, he did not believe any Vice-Chancellor would allow them to proceed. (Cheers.)

A Proprietor, as a shareholder and member of the bar, said he could not see in the view just taken by Mr. Merriman; and further urged that the liquidators continued in their corporate capacity they could appear before the Court by counsel. (Hear.)

Mr. Bazin said, on his own behalf—and he might say for Alderman Mechi, although not instructed specially on the subject—that his object was to act with the shareholders and liquidators in every question affecting their interests; and further that, notwithstanding his already heavy responsibilities, the alderman was quite prepared to pay up any proved claim against the bank. The alderman had always supported the liquidators. He (Mr. Bazin) supported them; they had done much good, and it would be the best thing in the world for them now to resign. (Hear, hear.)

The Chairman here read a number of letters urging the liquidators to prosecute the directors, who were stigmatised in language which of libel forbids reporting; and, indeed, many of the speakers insisted on it freely in similar terms.

Ultimately, on the suggestion of Mr. Merriman,

Mr. Hawkins moved, and Mr. Sherwood seconded, the following resolution:—"That the directors be requested to call a public legal meeting of the shareholders forthwith, to consider the recent extraordinary conduct of the directors in repudiating the acts and powers of the liquidators appointed by the proprietors on the 15th March last; also to take into consideration the prosecution of the late manager and secretary of the bank."

In a conversation which ensued as to the course to be pursued in the latter question,

The Chairman explained that the liquidators were bound over to prosecute, and that the case would probably come before the grand jury that day in the Central Criminal Court.

expression of a determination to support them, if the costs. The motion for the resignation of the liquidator, and the resolution was unanimously agreed to. A cordial vote of thanks to the liquidators for their valuable services, which was seconded by Mr. Sorter, and amidst great applause.

and Mr. Lambert seconded, "That the meeting be adjourned to the 1st day, at twelve o'clock, to receive the reply of the liquidators to the business as might be necessary."

Mr. Sutton, seconded by Mr. Kench, it was unanimously agreed that the best thanks of this meeting are due, and are tendered to Oswald Howell, the accountant, for the valuable services rendered by him and the liquidators in winding up the affairs of the bank, and in the criminal prosecution of the late manager.

The motion was also carried by acclamation:—"That the thanks be tendered to Dr. Cook and the rest of the directors, by the shareholders, for the eminent services which they have rendered to their brother shareholders in the management of the bank, and particularly for their spirited conduct in the prosecution now pending against the late manager, and in exposing the means by which concealment of the paid-up capital of the bank has been wholly effected, and to conceal the fact from the shareholders; and that the directors be and sanction the steps which they have taken, and urge them to continue such prosecution if possible." (Cheers.)

The meeting was of a very animated character, then terminated.

A general meeting was held on the 3rd February, Dr. Cook in the chair. It was announced that the directors had agreed to call a meeting to consider the arrangements that might be made with Mr. Alder-son of the bank.]

ANGLO-ITALIAN BANK.

A general meeting of shareholders was held on the 30th January, at the Tavern, Mr. John Lubbock presiding.

The following was read:—

It gives me the pleasure of submitting to the proprietors the report of the Anglo-Italian Bank. Although the bank has not yet opened, I have the pleasure to inform you that I have obtained from your Directors the necessary permission to proceed with the legal formalities consequent thereon, together with the necessary offices, and competent managers for the management of the bank, which were productive of considerable delay, so that the bank has now opened for business on the 1st October, and the 1st December, 1864. A branch will be opened at London, and the Directors also intend to commence business as soon as possible, a manager and staff having been already appointed. The power given them by the Articles of Association has enabled me to appoint local committees for Turin and Milan, representing some of the most influential firms in the city, and to act in this capacity; viz., for Turin—

Sigr. Giuseppe Dupré (Dupré père et fils); Sigr. Vincenzo Denin Gaetano Piaggio; Sigr. Gaetano Spinelli (Fedele Bernéo and Co.) Milan—Sigr. Giulio Belinzaghi; Sigr. Pietro Brambilla (Brambilla Co.); Sigr. Giuseppe Oneto (Oneto, Cavajani and Co.); Sigr. Nosedà (Nosedà and Burocco). The Directors think themselves fortunate in having secured the co-operation of these gentlemen. Profits up to the 31st December have amounted to £25,102 6s. 7d., less £8,420 5s. 5d. for expenses, and £4,652 13s. 4d. for rebate, at 7 per cent. per annum, there remains a sum of £12,029 7s. 10d., out of which the payment of 6s. per share by way of interest, free of income tax, at the rate of rather more than 6 per cent. per annum, amounts to £5,500 10s., your directors recommend that £2,831 13s. 1d. be withdrawn from preliminary expenses, and £2,000 placed to a reserve fund, leaving a balance of £1,697 4s. 9d. undivided profit to be carried to the profit and loss account. In exercise of the power conferred on the board by the constitution of association, the Directors have added the following gentlemen to the council, viz.:—Sir J. P. Lacaita, K.C.M.G., Member of the Italian Parliament; Sabino Leonino, Esq., of the firm of Leonino Brothers, Genoa; and Commendatore Devincenzi, President of the Royal Commission for the Cultivation of Cotton in Italy, and Member of the Italian Parliament. Sir Jas. Hudson, J. Lubbock, Esq., and R. Benson retire from office by rotation, but are eligible, and offer themselves for re-election. The accounts have been audited by Mr. Tucker, Actuary of the Pelican Life Insurance Company, and Mr. A. Ricardo, appointed by the council for that purpose. It will rest with the proprietors to elect auditors for the ensuing year."

Balance-sheet, December 31, 1864.

<i>Dr.</i>		CAPITAL AND LIABILITIES.
Capital called up, viz. £10 per share on 20,000 shares	£200,000;	
less amount on 1,665 shares unallotted	£16,650; and arrears on first call	£14,610 £168,740
Bills payable, current and deposit accounts and letters of credit	...	122,300
Profit and loss account as per annexed statement	...	25,102 6s. 7d.
		£316,100

Cr.

		PROPERTY AND ASSETS.
Cash in hand, at bankers, and on deposit	...	£39,300
Bills receivable, bills discounted, loans and other investments	...	261,400
Bank premises and furniture	...	1,200
Preliminary expenses	...	14,000
		£316,100

PROFIT AND LOSS ACCOUNT.

<i>Dr.</i>		
Current expenses, including salaries, directors' remuneration, stationery, advertisements, rent in London and at the branches, income tax, and other charges	...	£8,400
Rebate of interest on bills discounted and not due, taken at 7 per cent. per annum	...	4,600
Balance carried down	...	12,000
		£25,100

own	...	...	...	...	...	...	£25,102	6	7
							<hr/>		
6s. per share	...	...	...	...	...	...	£5,500	10	1
amount written off	...	...	...	...	...	...	2,831	13	0
carried to	...	...	...	...	...	...	2,000	0	0
led profit carried to new account	...	...	...	...	...	...	1,697	4	9
							<hr/>		
							£12,029	7	10
							<hr/>		
own	...	...	...	...	...	...	£12,029	7	10
							<hr/>		
profit carried to new account	...	...	...	...	...	...	£1,697	4	9
							<hr/>		

congratulated the meeting upon the present position of last year they had had to pass through very difficult interest had been unusually, and he might almost say, high, and of course, as resulting from that, the had been large; but they had unfortunately seen some profits, however large, had been more than swallowed up. He was happy to say that that had not been the year—they had been able to secure the advantage of prevailed, and had not as yet made any bad debts. expenses of a bank at first were necessarily unusually managers, officers, and a staff not proportionate to being done, but to that which they might fairly hope A great deal of the labour at the commencement con- on, which, though bringing no immediate profit, was stance, for upon that depended in the greatest measure rity of an institution. He would not attempt to con- vers were a little disappointed as to the amount of busi- one up to the present time, though he did not think any of ed that a large profit would have been realised. Circum- the organisation of their establishment. Before any ould be transacted in Italy, it was necessary to obtain a ough they had every reason to thank the Italian Govern- iness with which their decree had been given, the con- rms in which it was to be drawn up, and other ques- h it, had caused delay, and it was not till the close of ad been able to begin business. They then found ing suitable offices. Till within the last few years chief town in a small state, but owing to the confi- with which she was regarded throughout Italy, she rself the capital of a great monarchy. Recently, and er change had taken place, and though of course, Turin great dissatisfaction and regret the change of capital ace, all must admire the magnanimity and patriotism ople of that city had abandoned for the good of their n which they might have hoped to retain at least for large enough for all that might take place in Turin a necessarily too small when it became the capital of a

great kingdom like Italy, and then the company had found difficulty in obtaining offices suitable for the business they hoped to carry on. Another difficulty had been in obtaining managers. The business of banking, as carried on in this country, was not well understood by many of those here who were perfectly conversant with the business of the country, and of those here who were familiar with the Italian language. Under the circumstances it was proposed to have in each of the branches a gentleman having a knowledge of the business of the country, and the standing of the firms there, and to associate with him a gentleman of standing in the country who was well acquainted with the English banking system. In the circumstances it was proposed to have in each of the branches a gentleman of the highest standing. To avoid the risk of heavy losses, the local committees had been elected for the two branches in operation in that way had received the co-operation of some of the most influential firms of Turin and Milan. The directors would have been glad to have begun with one branch, and when they had in that way felt their way, they have gradually extended their operations to other Italian cities, but they found it necessary to commence business at Turin because that was the capital of the kingdom, and they also found it impossible to give a trial to any banking in Italy unless they were to open at Milan. Naples, where they might expect eventually the most profitable business to be conducted. They found it necessary, therefore, to commence with three offices, and the change of capital which was about to take place obliged them to open a branch at Florence. They did not propose to open any other branches until they had experience of these, though they had many other cities in Italy at which they hoped eventually, and in the long run, to establish themselves. Of course the change of capital from Turin to Florence, however advantageous for the kingdom of Italy, generally, could not be effected without considerable loss falling on certain institutions; and it had been stated in newspapers that the Anglo-Italian Bank had been one of the principal sufferers. That was an entire mistake—they had suffered no loss whatever by the change. (Hear, hear.) In the course of the year, in conjunction with the International Financial Society, they had brought out the Italian Banking Company, and as some of those present might be shareholders in the company, he might mention that the anticipations of its board had been fully realised, and that the concern was in a prosperous condition. It would no doubt prove very profitable to those who had invested money in it. The bank directors had decided to receive deposits at 4 per cent. The rate of interest was generally higher in Italy than in this country, and though they did not feel disposed at present to take money at 4 per cent, they were willing to receive deposits for periods of not less than 6 months, allowing at the present bank rate 5 per cent. The statement of auditors for the past year rested with the directors, and they had appointed Mr. Tucker and Mr. A. Ricardo, and those gentlemen were perfectly satisfied with the form in which the accounts were presented. He wished to say a word as to the circumstances which had induced the belief with the directors that the bank was likely to become a large and profitable business. They did not point particularly to the receipts of the past year, because, satisfactory though they were, they were still but the transactions of so short a period that it was not

them. It was not because they had been successful that he thought they might hope to be so in the future upon general principles. He believed that banking which had been brought to such great perfection would be of great importance and great benefit which it was adopted; he thought it might be, and for that reason he thought this company was successful. (Hear, hear.) The profits which a bank shareholders had been a very small part of the advantage offered to the public; in fact, they were but incidental advantages—the real advantage being that it made the country more productive, that it facilitated circulation, and so on. In 1844 the exports of this country amounted to £20,500,000, and the circulation of bank notes upon the average to £40,000,000. Our exports had increased to the enormous sum of £20,500,000, and the bank notes had actually fallen to £20,500,000. When they examined these results they would be found remarkable. There was a kind of superstition with the country of cheques, and people would rather waste two hours in cab fare to make a payment which could be economically paid by a cheque through the post. The circulation of small notes had considerably increased. The coin in circulation in 1844 was £40,000,000, whereas in 1864 it was £100,000,000. He had not examined the calculations of those figures were based, but as regarded the notes in circulation. The authorities of the Bank of England had estimated that the small notes of from £5 to £100, which in 1845 had risen in 1864 to £17,100,000, showing an increase of £12,100,000, but the large notes of from £200 to £1,000, those used in commerce, had actually during the time decreased, namely, from £4,900,000 to £3,500,000, or in other words, a decrease of £1,400,000. Thus while the commerce of the country was rapidly increasing, owing to the increased facilities for banking, the banks were able to carry on the proper business which they were doing twenty years ago. (Hear, hear.) From another point of view which would show this even more clearly, in order to get an idea of the extent to which cheques were used in the transactions of the banks some days of last week were taken—taking a total of the transactions of £21,000,000 in the City of London there was only £1,000,000 paid in the City of London there was only £1,000,000 paid in Bank of England notes, and £7,500 in actual cash, the rest £955,000 paid by means of cheques. (Hear, hear.) It was clear that if the banking system was not what it is they would require a very large amount of actual silver and gold and bank notes they would require a very large proportion of it, and to back up a large amount of capital in an unproductive way, and the large staffs to carry on their present business. There was no business now carried on in London which yielded large profits, it were not for this system, would have to be abandoned the grounds upon which the directors thought the system likely to prove a great undertaking. (Hear, hear.) It was the French bank to come over here, because they introduced an improvement upon the present system; it was brought to such perfection in this country that they

might reasonably hope to introduce the English system into other tries, with profit to themselves, and with still greater advantage to countries to which they directed their attention. Of course it was no use attempting to introduce the system into the Hudson's Bay territories, but in a country so highly civilised as Italy, where there was much wealth and commerce, and where land was so highly cultivated, there was a large field for their exertions. (Hear, hear.) He was surprised to find their balance-sheet so satisfactory, and he believed eventually they would be very successful. It, of course, would take time to introduce a new system, and the shareholders must not be disappointed for such dividends as were paid by some other concerns, hoped every year would be more profitable than the last, and that finally the Anglo-Italian Bank would prove as important and as profitable an institution as the great banking institutions of the City of London. (Cheers.) He moved the adoption of the report, and that a dividend be declared of 6s. per share, free of income tax, being at the rate of more than 6 per cent. per annum.

Mr. Borradaile, after expressing the greatest confidence in the directors pointed out some matters which, he thought, required explanation which had escaped the notice of the chairman in his very lucid statement. With such names upon the board, and having regard also to the reputation with which the permission had been granted by the Italian government, he was surprised to find an item of £14,000 for preliminary expenses. He wanted to know how much of that sum went to the International Financial Company. Then there were shares unallotted amounting to £16,500. At first the shares were at a premium, and every one who had been allotted then, for experience showed that reserves for contingencies were never taken up. But even if it had been politic in this country to make such a reserve, the shares should have been since issued at a premium, that within the last five months they had stood at 2½ premium. (Hear.) The directors had not, he thought, acted wisely in establishing four branches—they should, in his opinion, have tried a large experiment with two principal banks, and it would have been time enough to open four or four years hence to speak of more. He asked when a call might be anticipated, what the amount would be, and how much the directors thought would be required to be called up to carry the undertaking to a successful issue; and also if the shares upon which arrears were charged with 10 per cent. interest upon the arrears, and if the directors were in a position to forfeit those shares if they thought fit.

Mr. Short inquired why Mr. F. Doulton had resigned his seat on the board.

Mr. Maxwell wanted to know whether there would be any objection to holding their meetings half-yearly.

The Chairman said there would be no objection to holding meetings half-yearly if such was the wish of the shareholders, but they could not declare a dividend yearly. As to Mr. Doulton's resignation, the directors would be to refer to that gentleman himself for any explanation of his reasons for so doing. With reference to the preliminary expenses of the bank was brought out by the International Financial Company, of course they were paid a commission; but the question was very much considered at the time, and it was thought there were advantages in connection with that company which made it worth while to employ it, and the experience of the year had confirmed that opinion. As regards the 1,665 unallotted shares, the board were anxious to

the best men in Italy, and they felt that they could pay a considerable premium upon the shares of an had not commenced working. A moderate number ved for that purpose, and he thought there was no circumstance, for if the number of shares were less, much larger. Those shares would be allotted if it ble, otherwise they might be employed as a nest The arrears on the calls were large, owing to the pay- December, when many shareholders were away; but , and 10 per cent. would be charged upon all arrears. the branches, he agreed with Mr. Borradaile, but tances had driven them into establishing a greater than were in the first instance contemplated. He than two more calls, if that, would be required. £1,000,000, £200,000 was a small proportion to be not desirable that more should be asked for till it employed. In a month or two the board might per- to making a further call, but due notice would be ssary pressure would be put upon the shareholders. d whether the directors felt themselves at liberty to shares at a discount.

certainly not. There are too small a number to be olders, but if we ever part with them at less than the be to secure the services of some influential gentle-

s from Mr. Broomhall, rried, and the retiring directors, Sir James Hudson, Lubbock, were re-elected. d A. Ricardo, the auditors, were also re-appointed, of £50 each, and the proceedings closed with the the directors.

LD SOUTH WESTERN BANK, LIMITED.

General meeting was held at the London Tavern on r. J. W. Johns in the chair. rt and balance-sheet were read by Mr. E. G. Cleather,

re the pleasure to submit to the proprietors a statement ank for the half-year ending 31st December last. On ance-sheet it will be seen that, after making ample d doubtful debts, the gross profits, including the sum arried forward from last account, amount to £20,391. after deducting all charges for expenses, interest to re remains a disposable balance of £7,533. 18s. 2d. mend that £3,770. 16s. 8d. be appropriated to the end at the rate of 6 per cent. per annum, free of e sum of £500 be written off preliminary expenses; to the reserve fund, and £1,102. 8s. 2d. be set aside of bills not matured, leaving the balance of £1,660. ied forward to profit and loss new account. The y rotation are Lord George Paulet, C.B.; Henry enry Alers Hankey, Esq., all of whom are eligible r. E. H. Galsworthy (auditor) also retires, and is

eligible for re-election, and notice has been received that Mr. Howell Hewlings, who has been acting temporarily as auditor, proposed for that office."

BALANCE-SHEET.

<i>Dr.</i>									
Capital paid up	...	...	...	...	...	...	...	...	£135,5
Reserve fund	...	...	...	...	...	...	...	...	14,5
Amount due by the bank on current, deposit, and other accounts	...	...	...	...	...	...	...	...	368,5
Balance of profit and loss brought from last account	...	...	...	...	...	...	...	...
£2,541. 10s. 7d.; gross profit for the half-year, after making provision for bad and doubtful debts £17,850. 1s. 6d.									
	...	...	...	...	...	...	...	...	20,3
									£538,9
<i>Cr.</i>									
Cash in hand and at call	...	...	...	...	...	...	...	...	£56,3
Bills discounted, and temporary advances to customers	...	...	...	...	...	...	...	...	453,3
Bank premises, furniture, and fixtures	...	...	...	...	...	...	...	...	6,3
Preliminary expenses, including cost of establishing branches	...	...	...	...	...	...	...	...	10,0
Current expenses, including all salaries, rents, &c., at head office and branches	...	...	...	...	...	...	...	...	6,8
Interest paid on current and deposit accounts, &c.	...	...	...	...	...	...	...	...	6,0
									£538,9

PROFIT AND LOSS ACCOUNT.

<i>Dr.</i>									
Current expenses as above	...	...	...	...	...	...	...	...	£6,8
Interest paid	...	...	...	...	...	...	...	...	6,0
Rebate on bills not due carried to new account	...	...	...	...	...	...	...	...	1,1
Amount written off preliminary expenses	...	...	...	...	...	...	...	...	5
Amount carried to reserve	...	...	...	...	...	...	...	...	5
Dividend at the rate of 6 per cent. per annum	...	...	...	...	...	...	...	...	3,7
Balance carried forward	...	...	...	...	...	...	...	...	1,6
									£20,3
<i>Cr.</i>									
Balance brought from last account	...	...	...	...	...	...	...	...	£2,5
Gross profit for the half-year	...	...	...	...	...	...	...	...	17,8
									£20,3

The Chairman, in moving the adoption of the report, stated reason for holding the meeting at the London Tavern instead of in Street, as heretofore, that the number of shareholders had doubled figures now presented would, he trusted, be received with as much satisfaction as it gave the board to present them. They had passed very trying times—times when it behoved the direction not only to provide proper accommodation for their shareholders, but also to guard the bank in such a manner as to prevent the bank from suffering any serious loss during a crisis such as they had just passed through. The directors would show the caution that had been exercised by the board, and their institution might now be considered as established on a very solid and firm foundation. Comparing the present balance-sheet with

o, a very considerable alteration would be noticed
 ery case the alteration was in the right direction.
 little to reproach itself with in the shape of
 d not draw comparisons between their own and
 at respect, but there were banks of a very large
 which had not escaped so fortunately as they had
 l up had increased during the six months about
 and would, by the addition proposed to be made
 £15,000; and their current balances—and that
 e tests of the confidence displayed by the public—
 £5,000 upon the six months' working, and these
 balances, which were a very material evidence of
 their standing. The gross profit for the half-year
 upon the last occasion. That was an increase of
 £2,000 a year beyond the figures presented to the
 other hand, the cash in hand decreased £20,000,
 y the fact that people had to pay their bills at
 the necessary effects of which was to reduce the
 s'. The bills discounted and temporary advances
 130,000 greater accommodation than they were
 e six months; the figure was now nearly half a
 previous occasion it was only £330,000 odd. The
 ture of course increased by the opening of new
 were fully represented by the asset of the pur-
 t to write off preliminary expenses £500, or at the
 that, taking that mode of dealing with it, in ten
 ould have disappeared from their balance-sheet
 ticed, perhaps, that the amount carried over was
 eirs, and in that respect their balance-sheet con-
 rth those of a number of banks which had recently
 e was, for instance, one case of a modern bank like
 st declared a dividend of 10 per cent., and the shares
 en £5 and £6 premium, but which only carried
 rs had had a discussion amongst themselves upon
 opinion was that it would add very much to the
 e bank if they carried over a more respectable
 hey had chosen they could have given another 2
 end of 8 per cent., by taking £1,000 from the
 er, but they were assured that the shareholders
 aginary loss upon the present occasion for the
 e bank. (Hear, hear.) The £1,660 was not the
 hey might be considered to carry forward, for
 s also a profit made, though it was not divided
 ff safely and came properly to hand. They carried
 700 to a new account. The gross profit of the
 eptable figure, showing that they were working at
 ar, and when he stated that very ample provision
 d debts, he felt confident that the balance-sheet
 to the shareholders. Their total number of
 ir new accounts during the last half-year numbered
 ts since January 1st were 120, and with these facts
 hey all had reason to congratulate themselves for
 e concern. (Hear, hear.) They commenced the
 ers; at Christmas, 1863, the number had increased

to 270, and at the end of the present year it stood at 420, a very satisfactory result to the customers and depositors, as the liability was over so much larger an area. It might also be satisfactory to the holders to know, having reference to recent proceedings elsewhere, that they had had a very strict and careful audit by the board of every and every transaction of the bank; that there had been a director of as comprehensive and careful a nature as it was possible to have that they had found everything in a correct and satisfactory condition. (Hear, hear.) In conclusion, he proposed that the report, balance sheet, and statement of accounts should be adopted, and that a dividend should be declared for the half-year at the rate of 6 per cent. per annum, less income tax.

Mr. Hadley seconded the resolution, which was carried, the chairman remarking, in putting it to the meeting, that he hoped that it was the time the directors would appear before the shareholders with a 6 per cent. dividend.

A Shareholder asked whether it was contemplated to have the office in the City—a position which he thought very unfortunate for a commercial undertaking of this character.

The Chairman said the board had considered the matter on more than one occasion, but they did not think the time had yet arrived for the step suggested. The City business was conducted through the City and County Bank.

The Shareholder—When do you intend to make a call upon the shareholders?

The Chairman—We have done so this morning—(laughter)—a gentleman desirous of paying up upon his new shares in full will be able to take whatever dividend we may declare in June next.

The retiring directors were unanimously re-elected, the auditors also been re-elected.

Mr. Galsworthy, in returning thanks, took occasion to comment on one of the articles of association which empowered the directors to pay for their remuneration £2,000 from the commencement of operations, and £2,000 more when the dividend was over 6 per cent. and up to 8 per cent. and £1,000 for every 2 per cent. extra dividend beyond that. Such a provision was nothing more than an injurious invention on the part of promoters to induce gentlemen to join the board, and though he had every confidence in the present directors he did not like to see such a power hanging over the heads of the shareholders. (Hear, hear.)

The Chairman observed that the clause was rather a usual one, and an unusual one with institutions established in modern times, but at the same time there need be no fear of the directors approaching the figure mentioned, and they would be ready to discuss the question at any time. Instead of taking now, as they might be entitled to take, between £2,000 and £6,000, they only proposed to take up to the end of the year £2,000, and he thought they were entitled to a continuance of the confidence of the proprietary.

Mr. Galsworthy said his objection was one of principle.

The Chairman replied that the article should be altered at the next meeting if such was the wish of the shareholders. (Hear, hear.)

A vote of thanks was then passed to the chairman and directors, a similar compliment having been passed to the manager, branch managers, and other officers of the bank.

Mr. G. A. Addison acknowledged the vote, urging the shareholders

to bring customers to the bank, and giving as his
on great experience of banking, that so long as their
its present small amount it would be madness for them
separated.

NATIONAL BANK.

general meeting of the proprietors of this bank was
uary, at the Bank Buildings, Old Broad Street, City;
na presided.
r. M. J. Power) having read the advertisement con-
proceeded to read the following report and statement

the National Bank have much pleasure in presenting
the thirtieth annual report of the state of the society,
of 1864. The following accounts in the usual form
the company's affairs at the close of 1864:—

Assets and Liabilities, 31st December, 1864.

ASSETS.

at branches	...	...	...	£703,594	0	4
Bank of England, advances on bullion,	...	...	...	1,157,354	9	6
Exchequer bills, Exchequer bonds, and	...	...	...	522,055	14	5
ment stock, and sundry secured loans at	...	...	...	924,179	6	10
current accounts	...	...	...	10,590	0	0
on third call, as per contra	...	...	...	269,153	3	8
and securities held against acceptances,	...	...	...	3,873,289	12	5
London, Dublin, and branches, freehold and	...	...	...	113,601	4	6
				<u>£7,573,817</u>	<u>11</u>	<u>8</u>

LIABILITIES.

410; due on third call (December 31),	...	...	...	£900,000	0	0
deposits and current accounts	...	...	...	1,112,853	5	0
ers' drafts and on security	...	...	...	4,518,627	1	4
its at this date	...	...	...	269,153	3	8
				773,184	1	8
				<u>£7,573,817</u>	<u>11</u>	<u>8</u>

PROFIT AND LOSS ACCOUNT.

at 8 per cent. per annum, £24,000; with	...	...	...	£40,000	0	0
es. per share, £16,000	...	...	...

August.

Half-year's dividend at 8 per cent. per annum, £24,000; with extra dividend, 16s. per share, £16,000; and pro rata dividend on 20,000 new shares, £6,666. 13s. 4d. ...	46,666
--	--------

£86,666

Dec. 31.

To balance, being the amount of rest at this date ...	773,18
---	--------

£859,85

Cr.

Rest or undivided profits at December, 1863 ...	£169,17
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Net profit for the half-year to 30th June ...	89,56
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Premium of £25 per share on 20,000 shares, issued agreeably to resolutions of the 23rd and 24th March, 1864 ...	500,00
---	--------

Net profit for the half-year to 31st December, 1864, after writing off all bad, and providing for all doubtful debts, £125,253, 17s. 2d.; less rebate of interest on bills not due, £24,145 ...	101,10
---	--------

£859,85

"Since these accounts were made up a dividend at the rate of cent. per annum on the capital of the bank, and an extra dividend of 16s. per share, have been struck on the old shares of the company, £16,000 up, and a pro rata dividend of £1. per share has been declared on the new shares issued, £15 paid up, which will be payable at the head office and branches of the Company on and after 8th February. In the half-yearly accounts issued by the directors in July last, they announced that it was their intention to adhere to the same rate of dividend until the new shares were paid up to the amount of £30 per share, so that the shareholders of the different classes might equally participate in the increased profits which have resulted in consequence of the increased capital and reserves. There has been a call of £5 per share made on the new shares during the present year. The next call will be made in April, and the sixth call (which will be the amount of the paid-up capital to £30 per share on the new shares, thus assimilate them to the old) will be made in July next. When the last-mentioned call shall have been made, the directors propose to call for two special general meetings of the proprietors to sanction the issue of 10,000 other new £50 shares, £30 paid up, for which the provision is transferred from the rest. These shares, paid up to £30 each, the directors propose should be presented free of charge and by way of bonus to the proprietors of the bank for the time being, in the proportion of one new £30 paid up, for every four shares held by each shareholder respectively. This operation, when carried out, will increase the paid-up capital of the bank to one million and a-half sterling, and will leave the undivided profits at it is estimated, at nearly half a million. The directors believe this mode of augmenting the stock of the company, and thereby the revenue to the shareholders, is preferable to a sudden distribution of increased dividends or cash bonuses, and they advise the proprietors thus early of their intention, because the rate of profit is already so far in excess of the dividend that it is proper the directors should explain how they propose to distribute their increased revenue. On the 1st October the directors opened their fifth metropolitan branch at No. 23, Old Cavendish

On the 22nd August they opened a branch of the bank at Ballymahon, in the county of Wexford. They are working satisfactorily. The directors have to act as an agency for several banking companies, negotiated and brought into operation in the present, and will, it is expected, be a profitable department of the Company's business. At the annual meeting of the Company, held on the 23rd of May, the directors were elected by rotation as Jeremiah Dunne, Esq., M.P., Rowland Ronald, Esq., and M. Osborne, Esq., who offer themselves as candidates for re-election."

On moving the adoption of the report, said—I had the pleasure of attending the meetings of the shareholders held on the 23rd and 24th of May, and at the annual general-meeting held last May, during which the bank's increase of capital was in progress, and now we have been brought to a prosperous issue, and that we have a larger enterprise, my colleagues have again selected me to make such observations as a very proper custom of the chairman, in addition to the text of the report, to express my hopes that the tenor of the report and of the accounts submitted to you, are deemed satisfactory.

Looking back on the year 1864, it is competent for me to say that it would have been easy for us to have realized during the year than £191,000, which the ordinary dividend yielded. I may very truly say this might easily have been done, but it is not possible to make the maximum of profit without incurring risks which, in the long run, would be avoided, and which we have accordingly avoided. I may say for myself and myself, that we have been far more desirous to make such observations as a very proper custom of the chairman, in addition to the text of the report, to express my hopes that the tenor of the report and of the accounts submitted to you, are deemed satisfactory. (Hear, hear.) Having said so much, the prudence of our proceedings, I think I am fully justified in the shareholders on the results we have achieved, and the available reserves, as compared to liabilities, such as no other bank in the United Kingdom exceeds. (Cheers.) I have been surprised in Ireland to notice some commentaries which have appeared in the newspapers touching the so-called injustice involved in the working of two large Irish banking companies—London boards. These observations I understand to be directed to our friends and neighbours in this street. I have no objection, as they have always done, give a good account of our business, and I will now occupy myself simply with the business of the bank in Ireland, and the amount of advances in Ireland, taken together, exceed the amount of the balance to credit of customers' current accounts. (Cheers.) Nay, I will go on further to say that the amount accruing to our shareholders in Ireland, and the amount amongst them, now exceeds the whole earnings of the bank in Ireland. (Renewed cheers.) So here, at least, is one institution in that country, but which is, in fact, a source of profit to the bank in the best interests of the shareholders.

holders, and, to the best of our ability, in the interest of the community on both sides of the Channel. Perhaps it is not now out for me to say, as bearing upon the business intercourse between countries, that this institution has not only found no prejudices against in this country, but that, whether in London or in Liverpool, any other part of England with which we have relations, they have been recognised and appreciated with as much and as early a favour as it had sprung up on the foundation of the oldest bank in England (hear.) I know it will be gratifying to our friends in Ireland to hear that it is simply a tribute to truth to state it. Great, however, as the actual progress has been, I consider this bank only in an early stage of growth. I look forward with confidence to its increased development. I do not wish, nor does this board desire, to increase the business of the bank, except commensurately with capital and reserves. I have touched upon that portion of the report which refers to the proposition of the board to increase the capital of the bank by the issue of 10,000 shares, £30 paid up on each, which I presume will be carried in August. You will observe that during the progress of the call for new shares, the profits of the bank increased in a ratio greatly exceeding the actual increase of the capital. No doubt this was due to the fact that half a million sterling was realized as a premium on the new shares at a time that money was very valuable. To have distributed the increased revenue in the shape of dividend before the new shares were paid up equally to the old would have been, in our opinion, to have been inequitably towards those shareholders who had contributed more capital, and the directors determined to abide the equalization of the classes of shares before increasing their rates of dividend. Moreover, however, propositions for increased business from new and valuable connections poured in on us; such was the effect of the bank's re-organization of business that proposals for valuable business flowed in on one side, whilst the public confidence daily increased our resources on the other, all through the period of the pressure. This determined the directors to pursue the course they have announced to you in the report rather to recommend to you to carry out, namely, to convert £300,000 of the rest into 10,000 new shares; to leave the paid-up capital of the bank at a million and a half, and the reserve fund about half a million. At the end of the operation will leave, as I believe, the paid-up capital of this bank at £1,500,000, reserve fund of the bank the largest of any bank in England save the Bank of England, and the largest of any bank in Ireland except the Bank of Ireland. Our first view has been safety, and we know no more than to it except by large capital and reserves. (Hear, hear.) The business of the banker is to borrow money, repayable at short notice or on demand, and to lend it, repayable at various dates. There is no security that the banker can continue to treat his customers with liberality during times of depression if he has not a large capital, and we have secured this essential by the low rates of interest on money have fallen since the year opened to 5 per cent. per annum. This bank has upwards of £4,000,000 of resources, of which it has to pay no interest, except 7s. per cent. per annum on the balance of it as is represented by circulation; and although the statement of this is so may deprive us of some of the credit that attaches to the bank, yet we desire large profits from money borrowed at high rates, we are quite sure that we should be judged by the results and on our merits, such as we are. I will now, gentlemen, move that the report just read to you be printed and circulated amongst the proprietors, and if any proprietor

or questions to ask I shall be prepared, when all each where it is requisite.

P., in seconding the resolution, said that, after of the chairman, it was hardly necessary for him with any remarks. The report, he thought, must of all present that the business had been conducted with a view to the interests of the shareholders, with whom they had to deal. He was glad to shareholders in the room, participating as they value of their property, and rejoicing in the position attained. The most cursory examination of the would show them that it would have been very easy have presented legitimately even a more favourable done, but as the chairman had said the motto of on and safety. He congratulated the shareholders ings they possessed, both in London and Ireland, old all agree with him that the value put down for was ridiculously small. In conclusion, he could n of the chairman that whatever progress they yet in its infancy. (Cheers.)

s opinion that the report was one of the most been issued by the board, and more especially ook into account the recent commercial crisis, ded to no inconsiderable extent the progress of er in which their business had been conducted isible credit on the governing body. (Cheers.) meeting of the proprietors, and no doubt in that board had gained great experience. The ab- new capital within the last few months, bore ation of the institution by the public, and the operation had been carried out at a profit of half (Cheers.) It was very gratifying to know that the advantage resulting from the employment of ntry, but of the increased profit derivable from pressed a firm opinion that the future of Ireland uly did she possess in abundance the elements of er geographical position and her connection with at there could be no doubt that she would before e the seat of future enterprise. They were that equal to 14 per cent., and they were moreover used to appropriate the undivided capital, in the e extent of £300,000. The result of this would ishment they would have had returned to them half a million three times over. (Cheers.) He res now contemplated would add greatly to the f the bank, would enable it to carry on all its ility, and to advance all those objects for the pro- rrat created. He learnt with great pleasure that ed the services of its able managers and officers, of their prosperity. (Cheers.)

unanimously adopted.

Chairman, seconded by a Shareholder, the retiring

It was then moved by Sir Benjamin Morris and seconded by Wheeler, "That, in consideration of the increased business of the and the highly prosperous condition of its affairs, the remuneration of the directors should be allowed to receive should be increased by the of £2,400 per annum, being an increase by one-half of the amount by the deed of settlement."

The resolution having been put by the chairman, was carried unanimously.

The Chairman, in returning thanks, observed that the board appreciated the compliment, and valued it more as a mark of confidence than they did as an increase of their remuneration.

On the motion of Mr. Fox, a vote of thanks was passed by acclamation to Mr. M. J. Power, the secretary, to the managers, and to the various officers of the bank, for their zeal and assiduity in promoting its prosperity.

Mr. M. J. Power having acknowledged the compliment,

A cordial vote of thanks to the chairman for his able conduct in the chair, moved by Mr. Harvey Lewis, and also carried by acclamation terminated the proceedings.

THE JOINT-STOCK DISCOUNT COMPANY, LIMITED.

THE third ordinary general meeting of the shareholders of this company was held on the 31st January, at the London Tavern, W. C. Brown, in the chair.

Mr. Westrup, the secretary, read the report, which was as follows:

"In submitting the annexed statement of accounts, the directors take pleasure in congratulating the proprietary on a result which they are of opinion will, when the late severe commercial crisis is considered, be regarded as satisfactory. The balance of gross profits made during the six months ending the 31st ult., after reserving an amount as provision against the respect of bad debts, greatly exceeding that which it is believed ultimately be found necessary, has been £46,172, 13s. 10d. This amount, after deducting rebate on bills not due and the current expenses, enabled the directors to increase the reserve fund to £30,000, to declare a dividend at the rate of 6 per cent. per annum, amounting to 3s. 6d. per share, and to carry forward £3,243. 2s. 11d. to profit and loss account. In consequence of the stoppage of the Leeds Banking Company, of whose endorsements this Company at one time held a very large amount, and the extreme difficulty in negotiating the best mercantile and financial bills, and the extent of monetary embarrassments, which seriously threatened to terminate in a panic, the directors decided, after the most anxious consideration, that it was in the interest of the proprietors that the Company should be immediately placed, not only in a position to meet every contingency, but in one of undoubted strength, and that this desirable result would be best secured by making a call. The directors trust that this will be considered a sufficient reason for a step which, in any but the exceptional times, might have appeared both inconsiderate and unnecessary. The prompt manner in which the call was met by the shareholders is a proof that they fully appreciated the propriety of the measure. The directors have elected Mr. A. W. Rixon to one of the vacant seats at the London Tavern. Owing to the unavoidable absence abroad of Mr. J. P. Judd, one of

the directors have appointed Mr. C. J. H. Allen in
 ment, if approved of, will require confirmation by
 the Company's register on the 1st of January of this
 than 1,150 shareholders, comprising the names of a
 leading merchants and traders of London and the
 directors have no doubt that the position of the Com-
 so influential a constituency, must continuously

Balance-Sheet, 31st December, 1864.

£10 paid, £800,000; less unpaid calls,					
...	...	...	...	...	£755,412 10 0
...	...	...	...	...	25,000 0 0
deposits, &c. &c....	...	...	...	...	2,197,040 17 8
it and loss account after making ample					
and doubtful debts ...	...	...	...	...	46,172 13 10
					<u>£3,023,626 1 6</u>
and cash at bankers ...	...	...	...	...	£292,693 8 2
ces &c. &c. ...	...	...	...	...	2,728,400 3 0
ce, &c. ...	...	...	...	...	2,532 10 4
					<u>£3,023,626 1 6</u>

for the six months ending 31st December, 1864.

ending salaries, rent, stationery, adver-					
' fees, auditors' fees, depreciation in					
ures and furniture, income tax, &c. ...					£5,868 10 5
ated, not yet due—carried to interest					
...	...	...	...	...	19,472 14 3
6 per cent. per annum...	...	...	...	...	14,000 0 0
erve fund ...	...	...	...	...	5,000 0 0
t and loss new account...	...	...	...	...	3,243 2 11
					<u>£47,584 7 7</u>
loss account, 30th June 1864 ...	...	...	...	...	£1,411 13 9
brought down ...	...	...	...	...	46,172 13 10
					<u>£47,584 7 7</u>

moving the adoption of the report, said he did not
 very long by any lengthened remarks on the subject
 points, but one or two points required to be referred
 gross profit accounts there was a considerable dis-
 nts for December against those of June. This was
 large amount of bills they had to rebate in June, and
 y had to rebate in December. At the end of December
 £20,800, and in June £24,000, with a balance in their
 00 in June, as against December. But in comparing

these accounts in June nothing was carried forward as against balance, whereas in December they had carried £30,000 to the contingent fund for the purpose of meeting anything that might arise; and if they had added £30,000—supposing the bad debts not to arise—they would have had a profit of £40,000 against £24,000 at the end of December. Another feature that appeared very strongly in the present half-year was this: in estimating the rebate on the 30th June they took the rebate at 5½ per cent. Considering what followed in the money market, which could not have been anticipated, the rebate was taken at a low rate, and as the money market advanced up to 9 per cent. the loss or rebate, which came in the December half-year, was very considerable; and if they had taken the rebate at 9 per cent. higher than they did on the 30th June they found it would have made a difference of £7,000 against the June half-year and in favour of the December half-year, and that was a considerable increase of profit. He thought they would find that the profits had by no means diminished, but that they had in reality considerably increased. Under these circumstances they thought it better to put their dividend at 6 per cent. than at 8 per cent., for the purpose of making the position of the company as strong as possible. The call they made a few months ago required to state the reasons which led to it. It had been said they made the call because they had made an enormous amount of bad debts, that they had an enormous amount of bad bills. The real cause of their making the call was that a real stringency came over the money market, and that they had a large amount of securities that were not negotiable. They held a large amount of the Leeds bank paper, with the endorsements of the bank, which was perfectly useless in the market. They held a large amount of financial paper which had become useless in the market, and a large amount of commercial bills; and such was the stringency that they had to look at the matter seriously, and to think the time had arrived when it was necessary to make themselves safe, and to be enabled to meet any contingencies. At the time they decided to make a call they had a large amount of paper in their till. They were not in a state of bankruptcy. They had plenty of paper, but it was un-negotiable, and the question was whether they should force those on the market and obtain money at a rate of 20 per cent. to enable them to carry on their business. They thought with their reserve fund they would not be acting consistently with their business interests if they were to pay large sums to other companies for advances, and they thought the time had come when they must make a call on their capital. It was objectionable to the shareholders, but it was a matter of necessity. His own opinion was that the company was in a better position, and with the assistance of the shareholders they would do good instead of doing harm. He moved the adoption of the report.

Mr. W. Dent seconded the motion, and said they had a very valuable amount of Mr. M'Henry's paper, and with respect to that paper a report would show it to be as valuable as it was, in his opinion, when taken. He admitted they had made a mistake in not telling them they were about to make a call. He believed they could make as much use of their capital of £400,000 as with £800,000, and he suggested that some of the paid-up capital should be returned. The manager worked day and night, and could not obtain competent assistance. Their estimated loss was £20,000, but he thought £12,000 would represent the amount.

A Shareholder asked if there was any loss on the Leeds Bank paper, and, if so, to what extent?

and they could not say there was any loss on the Leeds paper was expected to be paid in full with interest.

Did he was satisfied the company had made great progress? After examination of its affairs, he believed the company was in a better state than it was six months ago. In support of his statement, he entered into a detailed statement of the accounts. Under the circumstances, the directors did right to make a call. It was whether now some portion of their capital could be made the profits divisible on a smaller capital.

He intimated the directors on having made the call. He thought they ought not to leave their descendants to regret; and as a family man, he could scarcely sleep when he thought of companies with £50 shares, and only one-tenth of the value. The company stood high, their preliminary expenses were not great, they might have for a larger dividend on a future

call. He strongly objected to the last call, as they would have to pay the same dividend on the increased capital.

He inquired if there was any power to return the paid-up capital. He was objected to one of the solicitors of the board being present, for influential commercial men were essential to the company. The amount of bad debts for which credit had been given was discounted any of Lloyd's bonds?

Mr. Rixon expressed themselves strongly against the late call, Mr. Rixon, the solicitor, being made a director.

He replied, stated that they had really had less capital to work with the last than in the previous half-year. The bills and notes were regarded as capital, seeing that it was usual to have bills and others advances against them. Private deposits were not a footing, and were available for carrying on the business, but these had been considerably reduced during the half-year. Expenses had increased about £1,000, consequent upon additions to the staff, a larger sum paid for income-tax, and a charge for advertising. With regard to the probability of the business being reduced by the increased capital, which would have been the case if the additional capital would be profitably employed on their own dividend. (Hear, hear.) Mr. Rixon, who had been a director a member of the board, was one of the solicitors of the company; but he did not think that their law adviser was so incompatible with the office of a director. The board should decline to avail themselves of the great assistance which that gentleman could bring to the assistance of the company as a member of the direction. He was doubtful if the bank would legally return capital when once called up. The bank were considered in every respect satisfactory, as they formerly were. He could not state what amount of capital was held which were not convertible, as the convertibility depended upon the state of the money market, but the amount of capital they did hold a small amount of Lloyd's bonds, but not a security. The gross profits of the half-year were put at £20,000, and if they added the £20,000 carried over to the previous year, it would make the total £66,000.

Mr. Godfrey protested against the solicitor of the company having a seat on the board, the two positions being incompatible.

A Shareholder suggested that there should be an increase in the number of the directors, in order to bring in some City gentlemen of commercial and financial experience and influence.

The Chairman said they were most anxious to do so as opportunities were offered. In reply to a question, he added that no further call was contemplated.

A Proprietor, who said he had deposited money with the company in consequence of the managing director having told him that he was a shareholder, and meant to keep his shares under all circumstances, asked whether it was true that that gentleman had recently sold out, and if so, whether he held no shares whatever in the concern.

The Chairman declined to enter into the private affairs of any of the shareholders, and added that it was not provided by the deed of incorporation that the manager should hold any share qualification.

After some conversation on this point, in which some shareholders expressed the view of the chairman, and others the contrary.

Mr. Wilkinson the managing director, stated that he had originally held 2,800 shares; that he had sold some, but still held several—more than a director's qualification. (Hear, hear.) This explanation was completely satisfactory, and the resolution adopting the report was carried unanimously.

The auditors were re-appointed, and the proceedings terminated by the usual compliment to the chairman and his colleagues.

LONDON, HAMBURG, AND CONTINENTAL EXCHANGE BANK, LIMITED.

A MEETING of the shareholders of this bank was held on the 31st January at the offices in Lombard-street, for the purpose of receiving a statement of accounts to 31st December last; Mr. Edward Tombs in the chair.

The circular convening the meeting having been read,

The Secretary proceeded to read the following report of the directors which had been sent round to the shareholders:—

"In fulfilment of the promise held out in their circular of the 16th December last, the directors have called you together to submit to you a statement of the bank's position. This statement is now before you, and the directors trust that you will consider it much more favourable than you have been led to expect from the wild and unfounded rumours so industriously circulated for the past few months. (Hear, hear.) The long-continued pressure on the commercial circles, from which we are now emerging, will account for many of these rumours from which we have suffered in common with other institutions much stronger in every sense than our own. In the face of great difficulties you will not expect that the business of the bank during the interval which has elapsed since our last meeting, has maintained the development and extent which its earlier career promised; but if that business has been of necessity curtailed, the directors can only state that no losses have been incurred by the bank in its recent transactions, and that the losses that now appear, though heavy, were anticipated at your last meeting, have been in reality the result of the sequence of previous transactions. The directors find that the profits of the bank for the fourteen months of its existence, amounting to

which £9,494. 5s. 3d. has been earned during the past losses during the entire period amount to £8,652. e that they will be able shortly to announce that they cies caused since the last meeting by the retirement rs from the board by gentlemen of high commercial lso in treaty with a gentleman of great experience and ant post of manager. The petition by a shareholder upany, which was the subject of the circular before tly after withdrawn, and the admission of the solicitors there was no ground for such a proceeding, proves as the attempt thus made to damage the credit of the rs have every confidence in the future career of the see it ere long strengthened in credit and capital. ef statement will serve to dissipate the doubts and ear to have weighed on the minds of many of the duce them to give the bank their confidence and sup- han they have hitherto done. The shareholders will for themselves that their property has not been de- ent indicated by the late very low quotations of the

Statement of Accounts to the 31st December, 1864.

5,000 shares £100 each £500,000; called			
re £90,000; uncalled £410,000; paid up			
r share £15,000; first call, £5 per share			
call £5 per share £24,750; third call £5			
... ..	£81,905	0	0
Customers' balances, deposits, acceptances			
s, and other obligations £241,457. 8s. 4d.			
125th October, 1864 £4,208. 6s. 8d.; divi-			
December £3,922. 14s. 2d.—£285. 12s. 6d.;			
000	241,743	0	10
	£323,648	0	10

s, £10,544. 1s., less written off, £1,000,			
businesses purchased, £35,000; furniture,			
ures £1,431. 8s. 11d.	45,975	9	11
ances due from customers, loans, bills dis-			
t, securities held against acceptances, &c.,			
t., less losses to be written off, £8,652 ...	244,394	12	9
and and at call	32,028	17	9
ce)	1,249	0	5
	£323,648	0	10

PROFIT AND LOSS ACCOUNT.

salaries, rent, general management, law			
London and Hamburg	£12,133	16	11
carried down	12,611	6	3

Dividend declared 25th October, 1864, 10 per cent., equal to						
16s. 10d. per share, £4,208. 6s. 8d. ; preliminary expenses						£5,208
reduced, £1,000 ; reserve fund, £2,000						8,652
Losses to be written off	...	...	...	...	...	£13,852
<i>Cr.</i>						
Gross profit from commencement of business to 31st December, 1864, at London and Hamburg						£24,741
Balance brought down (net profit)	...	...	...	...	...	£12,611
Balance (deficiency after absorbing reserve fund) to general account	...	...	...	...	...	1,243
						£13,860

The Chairman, in rising to move the adoption of the report, claimed the privilege to make a few observations, and they should be brief, because the report and statement of accounts contained the gist of all he had to say. In the first place, the shareholders would be surprised to find the share of the bank quoted so low. This, however, was the result of want of confidence, and malicious rumours which had been spread by certain parties. There would be no doubt on that point. (Hear.) He hoped the shareholders would be satisfied that, though their losses had been heavy, still the bank was on its last legs—(hear, hear)—as some people had hoped and wished it to be. (Hear.) The petition for winding up the company, which was presented to him in the report, was the petition of one of the shareholders, who was not delegated to that proceeding from the fact of the company being at issue with him on a question of account. To protect himself from the consequences of this action he purchased five shares, and, as a shareholder, he petitioned the court. The petition was simply a defence to the action which had been brought against him by the board of directors, and the result was that the affair was settled. He thought he might now simply move that the report be adopted.

Mr. Sebag had great pleasure in seconding the motion, and he thought that great praise was due to the directors. He believed, indeed, that the bank was not quite in good working order, and that the figures which appeared on the face of the accounts were not to be regarded as a criterion of what might be done hereafter. They might be said to be in the position of a large ship not sufficiently manned by a proper crew. He said this without offence to the directors, but they had not so largely consulted a board as they themselves might desire. The shareholders would remark that this bank was established under favourable auspices, and it was now a question whether they had given too much for it; it was looking back and he trusted the shareholders would manfully second the exertions of the directors, and that they would express their satisfaction with the report. For himself he cordially and gratefully seconded the motion.

A Shareholder reminded the proprietors that at the last meeting the directors pledged themselves to use their utmost exertions to secure the success of a manager. Had anything been done to attain that object?

A Shareholder asked how it was that the accounts were not audited.

The Chairman, in reply, stated that they had not received the accounts till the middle of the previous day. This was not an ordinary

had been made by the board that a statement of account should be made out on this occasion. At the proper time the statement was read. With respect to the inquiry made as to the appointment of a manager, he begged to refer the honourable shareholder to the fact that the board were in treaty with a gentleman to come in as manager, but did not say that the appointment was fixed, for it was not yet known what gentleman they required must have a thorough knowledge of Spanish, and Italian languages, and such a person could not be found every day. For himself he should hail with joy the appointment of any gentleman, who would relieve him and the board of the much responsibility in filling a thankless task. He then put that the report and statement of accounts be adopted.

The resolutions were passed to the chairman and directors, with the concurrence of the members, Messrs. Schmidt and Standsen, which were read by the chairman, and subsequently by the chairman. The meeting was marked by the best possible spirit.

EUROPEAN AND AMERICAN FINANCE CORPORATION, LIMITED.

A general meeting of the shareholders of this corporation was held on the 12th of February, at the London Tavern, Edward Ruston Esq. in the chair.

At the meeting was convened was thus stated:—For the purpose of carrying out an agreement provisionally entered into, dated the 1st of January 1890, between the Public Works Credit Company of London and the European and American Finance Corporation, a duplicate of which now lies at the offices of the said corporation, for the purpose of confirming and carrying the same into effect; for the declaration of a dividend, and for such other resolutions as may be necessary or considered desirable in connection with the said agreement, or incidental thereto.

The secretary, read the report, which stated that shareholders of the European and American Finance Corporation, Limited, in shares of £20 each, with £2 per share paid, will receive from the Public Works Credit Company, with £5 paid up (or for every two shares), and they will receive an interest of 2s. per share. In addition to this, the new shares of the Public Works Credit Company in dividend from the Public Works Credit Company in shares confidently anticipated, will prove highly satisfactory. The Public Works Credit Company's shares are on the official list of the London Stock Exchange, and its position and prospects are such as, in the opinion of the directors, to render the alliance a matter of congratulation.

Four of the directors will join the board of the Public Works Credit Company, and steps will forthwith be taken for the purpose of the European and American Finance Corporation, to form to wind up and extinguish that company.

The solicitor would now read to them the proposed articles of association of the Public Works Credit Company of London and Paris,

Mr. Kimber then read the terms of the agreement arranged between the companies.

The Chairman said they had heard the directors' report, and the provisional agreement which was referred to in the report. The report of the directors was so sufficiently clear it did not require much elucidation on his hands. He would proceed to state, as shortly as he could, what he thought necessary to notice, and he would first bring before the shareholders the balance-sheet of the company up to the 30th of December last, which was exhibited a profit of £2,000, or 20 per cent. on the paid-up capital of the company, which was evidence that the directors had been idle in their humble exertions to promote the interests of the shareholders. This amount of profit would have enabled the directors at their last annual and ordinary meeting in March next to declare a dividend of 10 per cent. besides commencing a reserve fund, and paying off a fair portion of the preliminary expenses. They were, however, assembled on the present occasion to have a different course recommended to them. The report had already informed them that their directors had had from the first time a growing conviction that an amalgamation of that company with one of a kindred character would be highly beneficial, provided it could be done on satisfactory terms. That opportunity had occurred, and the directors had improved upon it, and they had executed a provisional agreement which they now, with their sanction, proposed to carry into effect with the company stated in the report, the Public Works' Credit Company of London and Paris, Limited. The report, with the balance-sheet annexed, had been circulated amongst the shareholders, and if the shareholders read that report and balance-sheet as the directors did, they would not do otherwise than feel it had an encouraging aspect. In accordance with the report and balance-sheet the directors, for their guidance in their investigation, which had been somewhat protracted and anxious, had laid before them a statement of the operations of the Public Works' Credit Company, and a balance sheet to the 31st December last, which showed that for that six months the profits had exceeded by 50 per cent. those of the preceding twelve months. From that balance-sheet he might infer that the paid-up capital to the 31st of December amounted to nearly equal to the paid-up capital of their company. He mentioned this because several gentlemen had written to the directors to know whether there was to be an amalgamation with a company with less paid-up capital. That was not so, as they would perceive. Every facility had been afforded to their directors in their investigation, and they had no hesitation in stating all the statements laid before them as true, and the accounts correct. To enable them to carry out this proposition it would be necessary to place the unissued shares of the company, somewhat short of the number. The directors proposed that these should carry equal value with those already issued. The directors felt no difficulty in accomplishing that end, but before taking any step in that direction they found themselves bound to take the sense of the meeting. (Hear, hear.) All the conditions of the corporation with the shareholders would be observed in the company with which they proposed to amalgamate. As to the time at which they had notice some time ago, in stringent times, they did not think it necessary to make that call. He begged to move that the provisional agreement entered into, dated January 9, 1865, between the Public Works Credit Company of London and Paris, Limited, and the European and American Finance Corporation, be approved, and carried into effect.

ndler seconded the motion; and after some conversa-
carried.

ed the opinion of the shareholders as to what course
the disposal of the unissued shares.

lowed, and it was the general opinion that the shares
e shareholders *pro rata*.

meeting were then voted to the directors and chair-
ings came to a conclusion.

LEICESTERSHIRE BANKING COMPANY.

neral annual meeting of proprietors of this bank was
el, Leicester, on the 1st February; William Evans
the chair.

nted the following report:—

e pleasure in meeting the proprietors on this occa-
before them the results of the business of the past
4 opened with a general advance in the value of
he whole year greater changes have taken place in
han can be remembered in any former period; this
aces has required unusual watchfulness and care, and
d to be able to report that the result of the business
very satisfactory. The profits, after making ample
l debts and paying all expenses and losses, amount
5. 0s. 7d.; this, with the balance of £3,802. 4s. 9d.
December, 1863, makes a total of £36,497. 5s. 4d. to
The directors recommend the payment of a dividend
the old shares, and of 6s. per share on the new
e tax, being at the rate of £6 per cent. for the half-
omment that £9,049 be placed to the reserved fund,
be carried to the credit of the account for 1865, the
under:—

	£	s.	d.
in August on old shares.....	10,125	0	0
in August on new shares.....	951	0	0
old shares as now recommended	10,125	0	0
new shares as now recommended	1,902	0	0
come tax	860	0	0
ud	9,049	0	0
loss for 1865	3,485	5	4
	<u>£36,497</u>	<u>5</u>	<u>4</u>

f the bank is now £200,450, consisting of 13,500 old
each, fully paid up, and 6,340 new shares of like
£5 per share has been paid. The reserved fund, with
n (together with the addition of £1,120 received for
ares sold), will now amount to £72,000. The pro-
that the directors are carrying a larger amount than
ference to declaring an increased dividend, but
ation they are satisfied it will be the best course to

adopt, having regard to the increasing business of the bank, and the increase in the capital which will be made when the whole of the calls on the new shares shall have been paid up. The directors recommend this meeting should make a further call of £2. 10s. per share upon the holders of the new shares, to be paid upon the third day of July next, making the amount paid up on these shares £7. 10s. per share. The holders have been informed by the circular convening this meeting that Thomas Pares, Esq., one of the directors whose term of office now expires, has expressed a wish not to be re-elected, in consequence of his impaired health; the directors feel sure that the whole body of shareholders will unite with them in the expression of their deep regret for his retirement. Mr. Pares was first elected a director in 1841, and during the lengthened period of twenty-four years he has most kindly and efficiently attended to the interests of the bank. Charles Thomas Freer, Esq., of Billingham, Coplow, has been put in nomination as a director in the place of Mr. Pares; the other director retiring by rotation is Mr. William Billson. No other names having been proposed, those gentlemen are alone eligible at this meeting."

It was then resolved—

"That the report of the directors be received and adopted, and printed, and a copy sent to each proprietor."

"That Charles Thomas Freer, Esq., be elected a director of this company in the place of Thomas Pares, Esq."

"That Mr. William Billson be re-elected a director of this company."

"That all the proprietors or other holders of the new shares of the capital of the company created in 1863 be called upon to pay, on the third day of July next, a further instalment of £2. 10s. per share in addition to the sums which have been already paid in respect thereof."

"That this meeting, while deeply regretting that impaired health has caused the retirement from the direction of the bank of Thomas Pares, Esq., beg to offer him their cordial thanks for his assistance and valuable services for the past twenty-four years, a period which comprises almost the entire existence of the present company."

"That this meeting present to the board of directors its best thanks for their kind attention to the interests of the company, and for the satisfactory report this day presented."

"That the thanks of the proprietors be given to the several directors of the company for their efficient services."

"That the thanks of the meeting be given to the chairman for his able conduct in the chair."

SHEFFIELD AND ROTHERHAM BANK.

THE ordinary general meeting of proprietors was held at the Bank, Sheffield on the 1st of February, George Hounsfield, Esq., in the chair.

The following report was read:—

"Your directors in presenting to the shareholders their annual report have much pleasure in saying the business and profits of the bank for the last year have far exceeded those of any former year. In consequence of the increasing business at the Buxton branch, your directors have found it necessary to take more commodious premises and open the bank at Buxton. The new bank premises were opened on the 1st June last, and

ance-sheet, 31st December, 1864.

LIABILITIES.

2002	2001	2000	1999	1998	1997	£811,355	8	10
2001	2000	1999	1998	1997	1996	160,794	0	0
2000	1999	1998	1997	1996	1995	66,607	8	6
1999	1998	1997	1996	1995	1994	30,132	0	0
1998	1997	1996	1995	1994	1993	5,000	0	0

£1,073,799 17 4

ASSETS.

Company, bills and cash in hand	...	£1,063,198	11	0
...	...	10,601	6	4

£1,073,799 17 4

... of the meeting be given to the directors for their

valuable services during the past year, and that £700 be placed at disposal out of the funds of the company.

"That the thanks of the meeting be given to Mr. Wild, and to the managers and officers of the bank, for the able manner in which they discharged their duties.

"That the thanks of the meeting be given to the chairman for his efficient services in the chair."

LIVERPOOL UNION BANK.

THE thirtieth annual meeting of this bank was held at the Law Institution Rooms on the 1st February; James Aspinall Turner, Esq., in the chair.

The following report was read:—

"In laying their thirtieth annual report before the proprietors the directors beg to remind them that the past year has been characterised by extraordinary fluctuations in the value of money and produce, accompanied by serious mercantile disasters, so that they consider themselves justified in congratulating the proprietors in being able to submit the following statement. The paid-up capital of the bank is £1,000,000 and the number of the proprietors 164.

On the 31st December, 1863, the reserved surplus fund was	£140,481 13
To which add net profits for the year 1864, after providing fully for all bad and doubtful debts	57,433 12

£197,915 5

From which deduct two half-yearly dividends of 5 per cent. each, £45,000; income tax paid by the bank, £1,827. 6s. 8d.	£46,827 6
--	-----------

Leaves the present reserved surplus fund £151,087 18

General Balance-sheet, 31st December, 1864.

LIABILITIES.

Capital account	£450,000
Reserved surplus fund	151,087 18
Including acceptances, £40,495 18s. 1d.	
Deposit and current accounts	1,805,500
Rebate on bills on hand at 6 per cent.	16,100
	£2,422,700

ASSETS.

Bills of exchange	£1,700,800
Cash on hand, in Bank of England, London bankers, and brokers at call and short notice	805,400
Temporary loans	378,500
Transfer stamps	100
Shares held by the bank	13,300
Brunswick and Fenwick Street property	24,400
	£2,422,700

total of the bank was £300,000, which, with periodical earnings over dividends, including the present re-s now doubled; and the directors hope that the time when they will be able to carry fully into effect the the last annual meeting, empowering them to accu-surplus fund to £200,000. In consequence of the h last, of their old and respected colleague David as been connected with the bank since its origin, the ty with the deed of settlement, filled up the vacancy Wilson, Esq., merchant, who, with Edgar Garston, on, both of whose places will have to be supplied by is meeting. The directors, in asking the support of take this opportunity of stating that the bank, in numerous country bank connections and agencies om, is enabled to afford its customers every possible saction of their business."

utions were unanimously adopted:—

man, seconded by C. W. Reade, Esq.—"That the adopted, and that the same be printed and circu-

Mills, Esq., seconded by Edward Moon, Esq.—"That be re-elected a director."

e Wood, Esq., seconded by William Geddes, Esq.— Esq., be re-elected a director."

her Bushell, Esq., seconded by Robert Mason, Esq. of the meeting be given to the directors for their ng the past year."

man, seconded by John Gordon, Esq.—"That oprietors be given to Mr. Lister, the manager, and ank for their zealous services."

man were unanimously voted, and the proceed-

YORKSHIRE BANKING COMPANY.

ing of the shareholders of this bank was held on the 1st e room of the bank, in Leeds, when there was a large etors. James Audus, Esq., the chairman, occupied ere also present the other directors, viz.: Mr. Leeman, , Mr. Kitson, Mr. North, and Mr. Christopher

ral manager, having read the notice convening the ng reports of the directors and auditor were also

re much pleasure in meeting the shareholders to pre-t.

e half-year ending the 31st December

£30,866. 12s., out of which it is pro-

nsual dividend of one guinea per share

ax), amounting to £15,234 9 0

r share fund 13,727 10 0

0s. per share on 5,491 shares.

plus 1,904 13 0

he bad and doubtful debt fund.

"The average value of money having ruled high during the previous months, the bank has been enabled to employ its resources to more ordinary advantage; and whilst the directors cannot but congratulate the shareholders on the result, as shown in an increase of £3,517. 1s. over the previous half-year's profits, they at the same time deem it to suggest such a result can scarcely be expected to be maintained at decreased rates of interest. With the sum now proposed to be added to the New Share Fund, that fund will amount to £50,791. 15s., or £6,863. 15s. of its completion. The following is the statement of assets and liabilities, as certified by the auditor, who also makes a report, which is annexed:—

LIABILITIES.

Shareholders for capital stock	...	...	...	...	...	£152,340
Dividends unpaid	...	...	...	...	...	170
New share fund	...	...	...	...	...	37,060
Deposits and credit balances	...	...	...	...	...	1,201,130
Interest on deposit receipts and rebate of discount on bills	...	...	...	...	...	10,860
Notes in circulation	...	...	...	...	...	113,300
Bad and doubtful debt fund	...	...	...	...	...	3,790
Reserved surplus fund	...	...	...	...	...	50,000
Profit and loss account	...	...	...	...	...	30,860
						<hr/> £1,599,550 <hr/>

ASSETS.

Bills, securities, and cash in hand	...	...	...	...	...	£563,720
Amount invested in consols	...	...	...	...	...	100,000
Amounts advanced on current accounts and in bankers' hands	...	...	...	...	...	910,800
Freehold property and furnishings	...	...	...	...	...	24,320
Stamps on hand	...	...	...	...	...	70
						<hr/> £1,599,550 <hr/>

"In terms of the 64th clause of the deed of settlement, it will be the duty of the directors to report to the shareholders on this meeting to elect an auditor for the year ensuing. Mr. Blackburn, being eligible, offers himself for re-election."

AUDITOR'S REPORT.

"By the 64th clause of your deed of settlement, the auditor is empowered from time to time, if he thinks necessary, to make a report to the shareholders of the bank. During the eight years I have had to look after your interests, no necessity has ever arisen for making a separate report: nor is there anything in the affairs of the bank at the present time requiring such notice. My reasons for departing from the usual course on this occasion arise out of the disastrous and spread ruin caused by the suspension of the Leeds Banking Company, which to the outside world was apparently as prosperous as the Yorkshire Banking Company. Twice in each year there is laid before the shareholders a balance-sheet and statement of the assets and liabilities of the bank, as certified by me, and for which I am individually responsible as a public professional auditor. In the case of the Leeds Banking Company no statement of assets and liabilities was laid before the shareholders, nor was any public professional auditor appointed to verify the correctness of the accounts of the bank. The same irregular course of proceeding applied

ing the business of the bank. Mr. Greenland allowed his management on the part of his directors, not even ally appointed to confer with and assist him in such manager, Mr. Scott, takes upon himself no such res- res it with his directors, with some of whom he is ion, and once a week the affairs of the bank are whole board. The great source of loss and disaster nks that have hitherto suspended has arisen from the nd re-discount of bills. In the Yorkshire Banking ransactions are known; the bills received from and omers remain in the hands of the bank until they when they are sent up to London for collection; so ver unprepared to meet any demands made upon it, rces in its own coffers to provide for any call or abilities of the bank on endorsements never at any

The past-due bills have not averaged more than four years, and if any loss is likely to accrue there- rovided for in the bad debt fund before the half-yearly ed. At the present time the past-due bills amount to bt fund is always in excess of the known bad or e bank at the time of each half-yearly making up of es the regular and periodical investigations of your is constantly employed in visiting the branches of ot so engaged, is carrying on an inspection and over- s at the head office. The system of check and audit et as human foresight can make it. The vigilance ctors, the general manager, and the branch managers s shareholders, largely interested in the success of the securities taken for overdrawn balances, have placed n of security second to none, as is shown by the small ts during the term of my audit, and by the remuneration. The statement of the assets and liabilities by me is appended to the directors' report in the

n addressed the meeting and said—"You have now e directors, and you have also heard the special re- tor has felt it his duty to make to you under the late failure of the Leeds Banking Company. I have y own to offer to you, because I could not add to res themselves and the statements of Mr. Blackburn; ou most heartily, that after such a blow, as the Bank might be expected to give to all confidence bank showed the elasticity and strength of its re- through the fire unscathed. We might have looked part of the public, but none such was shown, either any of our branches; and I was surprised and so to find that instead of our deposits being withdrawn, ave expected, they rather increased than otherwise. d that the auditor has thought it his duty to make he way in which the business of this bank is con- not blind to the natural fears which the Leeds Bank ed throughout Yorkshire, and we quite concur with re entitled to know how your own affairs are managed. twenty years your chairman, and have too large a

stake in the prosperity of this bank, and so have my brother direct give the reins into the hands of any manager. We have a great deal for our manager, but we think for ourselves. We do not un- being directors only in name and not in reality, and we therefore to see and know all that is going on from week to week. As Mr. Blackburn has told you, we have no re-discounting, but our bills remain case until due, ready to meet any emergency that may happen. the course we shall continue to pursue. Our profit for the last enables us to carry a large sum to the new share account, and I doubt that if I am spared to meet you next August, it will be- nounce that we have then saved out of profits the whole of the ne- and to create the 5,491 new shares. In the meantime I have to my unbounded satisfaction at the prosperity which has attended my fullest confidence that, by pursuing the prudent course we have done, this bank will continue to retain the same confidence in pu- mation, and be productive of the same advantages to you as shares as have hitherto attended us. I have now to move the adoption of the report."

Mr. Edward Brown, of Bath, seconded the adoption of the report suggested that the remarks which had been made by the chairman be printed with the two reports, and circulated among the shareholders.

This suggestion, as well as the reports, were unanimously adopted at the meeting.

Resolutions were then passed approving the dividend, and also the appropriation of the surplus profits towards the new share fund, as proposed by the directors' report.

Mr. Blackburn, the auditor, was unanimously re-elected, after he first answered several questions put to him; and a very cordial vote of thanks was passed to Mr. Scott, the general manager, for the manner in which he has conducted the bank's concerns for so many years. A similar acknowledgment was paid to the managers of the other branches.

The meeting separated with a unanimous vote of thanks to the directors and managers.

EASTERN EXCHANGE BANK, LIMITED.

The first ordinary meeting of the Company was held at the bank, 10, Abchurch Lane, London, on February 2nd; Patrick Hunter, Esq., deputy chairman, presiding, in the absence of Edward Comber, Esq., chairman of the company. Amongst the shareholders present were, Messrs. T. C. M. Bowen, R. Dirom, A. W. Malcomson, E. Banner, J. Bigham, J. W. Radcliffe, I. Gill, William Barry, William Douglas, Swinfen O. Earle, David Malcomson, Thomas Comber, J. S. Smythe, F. I. T. Maxwell, Thomas Lapham, Henry Beasley, W. G. Nicholson, Langenbach, James Johnson, Rogers Waterhouse, W. C. Nicholson, Sproule, William Carson, &c., &c.

The Chairman said he must crave the indulgence of the shareholders in filling the chair. He was extremely sorry to say that their chairman was confined at home by serious illness.

The company's seal having been fixed to the transfer of shares.

The notice convening the meeting was read by Mr. Andrew sub-manager and secretary.

an, sub-manager and secretary, then read the following:—

calling the shareholders together for the first time, and statement of accounts of the bank since its formation, 1864. The difficulty in obtaining a suitable rate of interest, and the generally embarrassed state of affairs, induced the directors to postpone making calls and open- they have, however, been enabled to employ satisfactory capital in their hands, during the few months the operation, as appears by the annexed statement, showing £3,368. 2s. 3d., out of which they recommend a dividend of 1s. 6d. per share, free of income-tax, say at the end of the annum, leaving £368. 2s. 3d. to be carried forward. The directors delegated Mr. J. H. Etheridge, general manager, to Egypt to establish a branch at Alexandria. The results are highly satisfactory, and it is anticipated that considerable business will be transacted by the bank there. Formerly of the Agra and United Service Bank, and of Calcutta, China, and Japan, has been appointed resident manager. The directors who retire by rotation are Mr. G. M. Bowen, and Mr. A. Malcomson, and being re-elected they offer themselves accordingly. The meeting has appointed an auditor for the ensuing year, and fix his remuneration at £100.

and Balance-sheet for the Half-year ending the 31st December, 1864.

LIABILITIES.					
... ..	...	...	...	...	£120,000 0 0
... ..	...	...	...	...	93,432 19 5
... ..	...	...	...	...	469 0 0
... ..	...	...	...	...	3,368 2 3
					<hr/>
					£217,270 1 8
					<hr/>

ASSETS.					
... ..	...	...	...	...	£91,515 2 10
... ..	...	...	...	...	149 1 0
... ..	...	...	...	...	119,125 9 8
... ..	...	...	...	...	129 0 1
... ..	...	...	...	...	6,123 0 0
... ..	...	...	...	...	228 8 1
					<hr/>
					£217,270 1 8
					<hr/>

PROFIT AND LOSS ACCOUNT.					
... ..	...	...	...	...	£2,147 8 2
... ..	...	...	...	...	3,368 2 3
					<hr/>
					£5,515 10 5
					<hr/>

... ..	...	...	...	...	£5,515 10 5
... ..	...	...	...	...	£5,515 10 5
					<hr/>
					£5,515 10 5
					<hr/>

The Chairman said: "Gentlemen, in moving the adoption of this I have merely a very few remarks to put before you. In the first we are quite prepared to hear complaints of over-cautiousness, and of doing business; but I think, when we look at the reports of some of the Liverpool and London banks—establishments of old and experienced management—we have been perfectly justified in the course we have adopted, in waiting until the storm and crisis has blown over, and particularly in starting a new financial scheme—purely an exchange bank, the first that has been established at Liverpool—it was the care of the directors that nothing should be done to impair the confidence of the public in its position for the future. It would have been a happy state of things to have reported that even this small bank of £5,500 had been made out of actual business of banking; but it has arisen purely out of interest. We confined ourselves entirely to the most reliable securities, which were taken at a moderate rate of interest, and at any time, when opportunities arose, we would be in a position to convert them into cash if called upon, and commence the operation of an exchange bank. At the time of our formation, as will be in the memory of many of you, the mania for banks and financial schemes got to such a height in India, and particularly in Bombay, that the demand for managers was great as to induce the ordinary staffs to remain there instead of coming to England. Great inducements being offered to them to remain in India, on the one hand, and salaries being increased at home, had we at once engaged a manager, we should have entailed a very heavy annual expense on the bank; but through the assistance of our chairman and his friends in London, we in the course of time met with our present manager, Mr. Edwards, and I am happy to say that the directors are perfectly satisfied with the gentleman whom we have selected to undertake the management of this concern. (Hear, hear.) He is at present in Egypt: he was designated by the board to proceed there to open a branch in Alexandria, to place Mr. Baker, who has had some considerable experience at Calcutta, Bombay, and Kurrachee, as the manager at Alexandria. From the reports which we have received from both these gentlemen, we have every reason to anticipate a large and profitable business there. We shall immediately appoint agents in the East, in Australia, and elsewhere, and as soon as we have sufficient capital we hope to have our own branches in these parts. I don't know, gentlemen, that there is anything else for me to say. Our accounts are all very plain and explicit, but if any one wishes to ask questions with regard to them, I shall be very happy to answer them. The directors have nothing whatever to keep back. There is one item upon which the shareholders may require some additional information, namely, the £6,000 for 'preliminary expenses.' I may state that the amount is made up:—Stationery, printing, postage, &c., £1,249; brokerage, £1,275; advertising, £2,547; solicitors' expenses, £1,050. I may also state, in justice to our solicitors, that the charges are very much less than they would have been but for the precaution the directors took in issuing separate share certificates, a step which they considered a safeguard against fraud. That has also increased the printing expenses. The advertising is a large amount certainly, but you must remember that it was the very week in which we invited applications for shares that the London rate was raised to 9 per cent., and had we not advertised in the newspapers and down the country we certainly might have had a difficulty in getting the company. But we were well repaid for the trouble, as the immense numbers of applications, much more than we had reason-

confidence which has been expressed by many of the every reason to hope that this will be a successful s. (Hear, hear, and cheers.) It will take time. I r, that every day, business is gradually coming in to ave a branch in Egypt we are prepared to do business h our different agencies in the East and in Australia. a pleasure in moving the adoption of the report."

rise with much pleasure for the purpose of seconding report, and I think we may with great propriety com- and directors of the company for the great caution rcised. By the exercise of that caution they have et, and cleared a gross profit equal to 9 per cent. per period during which the bank has been in existence. uk, have great confidence in the future prospects of y propose to divide amongst the shareholders all the

I have no doubt that they will exercise that econo- on which the prospects of the bank so much depend ividends. I have much pleasure in seconding the

then put and carried unanimously.

. Chairman, I have much pleasure in proposing that Mr. G. M. Bowen, and Mr. A. Malcomson be re-elected . Mr. Hunter has been practically our chairman ation of the bank, because, unfortunately, Mr. exceedingly bad health, which I trust will not con- the opportunity of saying, however, that the atten- der has devoted to the interests of the shareholders am sure, will merit at their hands the continuance dence. Mr. Bowen and Mr. Malcomson have not n the welfare of the bank as ordinary directors, and is the pleasure of the shareholders again to elect , they will devote the utmost service they can give beg to move that these gentlemen be re-elected

eg to second that resolution ; and, as I am pretty well an habitual grumbler, perhaps it would be well if I the meeting for two or three minutes in commenting s. In the first place, these accounts are given in an satisfactory and understandable manner ; and, as you o which any exception could be taken in the prelim- been explained and detailed in a way that cannot but those persons who have read the reports of similar e been established during the past two or three years, read at recent meetings. Not having had much e-sheets I can only judge of this by its contrast with out prominently as a most favourable one for the ad the management of the concern, and is a satisfac- holders. One item in contrast with others of a ally small—I mean the £1,050 to the solicitors. That sed at, because everything that appears to have gone of the solicitors seems to have been of the same r. I have had occasion during the last month or of at least thirty or forty companies, and I can safely

say this, that with no exception this deed stands eminently one of the most remarkable and just to the shareholders we read. It is drawn up with credit by the eminent firm who are of it, and it is certainly satisfactory to find that the directors tioned it, for it warrants us in giving our confidence to them for I will contrast one single clause in the deed with that which heard of in others—viz., clause 78—which says that ‘the directors be entitled to set apart and receive for their remuneration in every year, commencing from the incorporation of the company, a sum of money as shall be voted to them by the resolution of the shareholders in the annual general meeting.’ (Hear, hear.) How did the directors acted upon this occasion? First of all, they have given accounts, without any remuneration being specified, or an intimation pressed of their expecting one, and I believe it is not their intention to receive it through the legitimate course, namely, the vote of the shareholders on this occasion, upon the ground that they have no banking business, and therefore will not take the allowance. (I could mention two or three other clauses equally creditworthy concerned connected with this deed, but I am so unaccustomed to laudatory terms of anybody that I feel rather a difficulty in pursuing the subject—(laughter and cheers)—though, no doubt, praise is most coming from me—particularly as I have no personal knowledge of the directors except the chairman, and as I have no interest in the company except that of a shareholder. I am perfectly satisfied with what has been done, and perfectly hopeful of what is to come. (Cheers.) I second the resolution.”

The resolution was then put and carried unanimously.

The Chairman, after acknowledging the re-election on his own part of his colleagues, said the directors had not the slightest intention to receive any fees. They only hoped that at the end of twelve months they would be able to lay a satisfactory statement before the shareholders, and then they might receive whatever reward the shareholders approved. (Hear, hear.)

The Chairman then moved the election of Messrs. Harman and Sons as auditors of the company, and that they be paid £50 for their services in auditing the accounts of the bank as at the 31st December last. The chairman said he had great pleasure in moving this resolution, having known Mr. Banner for a great many years, in fact, ever since he had been in Liverpool.

Mr. G. H. Higham seconded the resolution, which was put and carried unanimously.

Mr. Douglas proposed, “That the cordial thanks of the meeting be tendered to the chairman and board of directors for the judicious manner in which they have managed the affairs of the bank.”

Mr. Williams seconded the resolution, which was unanimously carried.

The Chairman, in reply, said that the directors were very much indebted to the shareholders, and it would be their constant endeavour to maintain the confidence which was reposed in them.

The Chairman—“I have now the very pleasing duty to propose to tender thanks to the manager, sub-manager, and other officers of the bank. When the idea of forming a branch in Egypt arose it was in the hands of Mr. Etheridge, the manager, that it would be very desirable that either he or the sub-manager should visit Alexandria to make himself master of the nature of the business. Mr. Etheridge being

family, it was rather a delicate thing to ask him to go and without the slightest hesitation, placed himself in the chairman and board of directors, and proceeded at once. It is very satisfactory that he has done so, for although the age of a gentleman at the board who is connected with the bank's visit there has made him completely master of the business, and we hope on his return that we shall be able to carry on our business there. Therefore I have great pleasure in expressing our thanks to the officers of the company." The resolution, which was carried unanimously.

EXTRAORDINARY MEETING.

That ends the ordinary meeting, and we now form an extraordinary general meeting for the purpose of altering the articles of association.

I read the notice, to the effect that the meeting was called for the purpose of taking into consideration the provisions in the articles of association, as to the mode of investing the funds of the Company, for making up the statement of accounts, and the mode of auditing the same, and to make such alteration in the articles of association as may be necessary therein."

The reason, gentlemen, for altering the first clause of the articles of association is to satisfy the requirements of the Stock Exchange. The old clause was that the directors should not be able to purchase or deal in the shares of the Company. I have no doubt the whole of the shareholders will quite understand and give a letter to the effect that the board would not purchase shares at the first general meeting, otherwise we should have a day of settlement on the Stock Exchange. The slightest doubt will be confirmed. The other is a clause as to the mode of making up our accounts. At present it states that the accounts shall be made up at the meeting, but if we go to India, Australia, or elsewhere, it will not be time to make up the accounts; therefore we have altered the clause to four months. I have no objection to it."

The second clause of the 98th regulation of the articles of association is hereby repealed, and in lieu thereof the following is substituted, that is to say:—"They may invest such parts of the funds of the company as they shall think fit in or upon any government securities, or upon such other investments or securities as may be approved by the directors, or upon such other investments or securities as they may think expedient, and may from time to time convert the same as occasion shall require."

I second that resolution."

The resolution was unanimously carried.

On the motion of Mr. Dirom seconded, the following resolution was carried:

"The 98th regulation of the articles of association shall be and the same is hereby repealed, and in lieu thereof the following shall be substituted, that is to say:—"The directors shall lay before the shareholders at every ordinary meeting the directors shall lay before the shareholders a statement of accounts of the company made up to a date not more than six months before the meeting from the time when the last statement was made; or in case of the first statement, from the

commencement of the company; and every statement shall be accompanied by a report of the directors as to the state and condition of the company and as to the amount which they recommend to be paid out of the profits by way of dividend or bonus to the shareholders, and the amount (if any) which they recommend to be retained for the formation of a reserve fund.

It was also resolved:—

“That a general meeting of the company be held on Thursday, the 1st day of February, 1866, at 12 o'clock noon, for the purpose of confirming the above resolutions.”

On the motion of Mr. Bigham, seconded by Mr. Prowse, a vote of thanks was passed to the chairman, and the proceedings closed.

LONDON AND COUNTY BANKING COMPANY.

THE annual general meeting of the proprietors of this company was held on the 2nd February, at the London Tavern; Mr. W. Nicol, M.P., in the chair.

The notice convening the meeting having been read, Mr. McKee, the general manager, read the following report and statement of accounts:—

“The directors have the pleasure to submit to the shareholders the balance-sheet of the bank for the half-year ending 31st December 1865. They have satisfaction in reporting that, after payment of all charges and interest to customers, making provision for bad and doubtful debts, and presenting a gratuity to each officer, the net profits amount to £126,431. 17s. 4d., which, with £21,726. 16s. 2d. brought forward from the last account, produces the sum of £148,158. 13s. 6d. for appropriation. The directors recommend the payment of the usual dividend of 6 per cent. on the half-year, together with a bonus of 12 per cent., making 18 per cent. for the six months; these payments will absorb £129,529. 1s. 3d., leaving £18,629. 12s. 3d. to be carried forward to profit and loss new account. The directors regret to announce the decease of their late esteemed member, James Laming, Esq., and report that they have elected Nathaniel Alexander, Esq., of Great Winchester Street, East India merchant, to fill the vacancy thus created. The directors retiring by rotation are William Burmester, Esq., John Fleming, Esq., and William Champlin Jones, Esq., who being eligible, offer themselves for re-election. Dividend and bonus (together £3. 12s. per share) free of income tax will be payable at the head office, or at any of the branches, on or after Monday the 13th February.”

Balance-sheet, December 31st, 1864.

<i>Dr.</i>		
Capital	£750,000; part of final instalment due 15th April next not yet paid £9,825	£740,675
Reserve fund	£250,000; part of final instalment due 15th April next not yet paid £9,825	240,675
Amount due by the bank for customers' balances, &c.	£9,779,754; liabilities on acceptances £2,431,599. 15s. 5d.	12,211,353
Profit and loss balance brought from last account	£21,726. 16s. 2d.; gross profit for the half-year, after making provision for bad and doubtful debts	373,781
	£352,054. 12s. 2d.	£13,566,485

office and branches £1,455,172. 4s.				
and at notice £999,486. 16s. 6d.	...	£2,454,659	0	6
Government and guaranteed stocks				
and other stocks and securities	...	961,407	2	10
Advances to customers in town and	...			
in the country	...	9,833,047	4	8
Commercial street, and Nicholas lane, free-				
property at the branches, with fixtures	...	131,178	18	11
Deposits	...	95,051	16	11
Expenses at head office and branches, in-				
cluding profits and salaries...	...	78,343	11	5
	...	11,222	8	6
August, 1864	...	1,575	0	0
		<u>£13,566,485</u>	<u>3</u>	<u>9</u>

PROFIT AND LOSS ACCOUNT.

Deposits	...	£95,051	16	11
	...	78,343	11	5
	...	11,222	8	6
	...	1,575	0	0
August, 1864	...	39,429	18	0
Carried to new account	...	43,176	7	1
for the half-year	...	86,352	14	2
	...	18,629	12	3
		<u>£373,781</u>	<u>8</u>	<u>4</u>
Balance from last account	...	£21,726	16	2
Half-year, after making provision for	...	352,054	12	2
debts	...	<u>£373,781</u>	<u>8</u>	<u>4</u>

moving the adoption of the report, said that it had often to address the proprietors of the bank at their meetings done so with such unqualified satisfaction as he occasion. In the earlier years of his connection with difficulties to struggle with, arising entirely from the unhappy man who had long ceased to exist. Years ago in a suicidal grave they had suffered from the effects and were deprived of those fair gains which they had attained to such an extent did his misconduct affect the bank, they thought that it would never be able to recover itself; but they had confidence in the bank and in the directors, aided by the able officers in the conduct of the business—(hear, hear) he enabled them to face the storm which existed for the last year, when he addressed them, he had to announce the decision of a court of justice against the bank, which, happily to say, was reversed on an appeal to a higher court. At the time to the present he was glad to say they had not

had a cloud of any kind to impede the sunshine of their prospects (Cheers.) During the last year the commerce of the country had been severely tried, and many branches of trade had sustained enormous losses. Many persons who at the commencement of the last year believed themselves possessed of ample fortunes had before its conclusion been obliged to yield to the storm, and several banks had been severely tried. He was happy to say that this bank had escaped with the most trifling loss, and the board were enabled to come before the proprietors that day offering them the largest dividend that any bank had made, and which left the institution in as prosperous a condition as any bank in England. (Cheers.) He would now turn to the accounts. It would be recollected that at the year it was agreed to increase the capital of the bank from £600,000 to £750,000. That had been done, and now, with a reserve of £250,000, the capital had been raised to £1,000,000. That increase of capital, he assured the meeting, had been a very great comfort to the directors during the past year, because they had felt confidence in the capital of the bank, that confidence had enabled them to take into consideration overtures of business which perhaps they would not have been able to entertain had it not been for that increased capital. It had been the custom in some banks to invest the reserve fund in Consols or other government securities which yielded only 3½ per cent., but if their reserve fund had during the last nine years been so invested the difference in the interest would have been so material as to have considerably affected their profits, and the directors felt that having a capital in cash on hand and at call of £2,500,000, the reserve fund of £250,000 in Consols would make very little difference to the safety of the undertaking. The next item in the account was the balance which he was very glad to refer to, namely, customers' balances, £9,779,000, showing an increase over last year's account of above a million and a half sterling. (Cheers.) That was extremely satisfactory, as showing the confidence reposed by the public in the bank, and he thought that he was justified in expressing his opinion that that was not the largest sum of money which would have placed with them in this way. They had separated the amount due for customers' balances from the item of liabilities on acceptances, and had done so for some years. Occasionally they saw common newspapers with reference to the omission of some other establishment to adopt this system, and some dissatisfaction had been expressed on the subject. It was the opinion of the board that customers' balances, which might always be taken as the gauge of public confidence, should always be separated from the liabilities on acceptances. (Hear, hear.) He thought that the amount of gross profit, which, including £21,726 brought over from the previous account, amounted to £352,000, would be most satisfactory, especially when they considered that the most ample provision had been made for the payment of bad and doubtful debts. The total gross profits of this bank during the past six months had been something like £2,000. (Cheers.) The interest on discounted bills and advances to customers amounted to the large sum of £9,833,000, and perhaps the meeting would like to know what was the usual practice pursued by the bank in investing the capital. Necessarily the larger portion was employed in discounting bills and lending to customers both in town and country. In the country the applications were generally for moderate sums, and if the manager thought that they were safe, they were remitted to London, and having been first scrutinized by their skilful and able general manager and the chief inspector, they were next sent to the committee of directors and underwent a second scrutiny. The only exception to this was that the general manager had

money on government stocks, application for which immediate attention. With respect to the item for premises that was an item which naturally increased their business, and it might be that they would have sum in times to come for this purpose. All he was, that he should be perfectly satisfied to be one of their property off their hands at the cost at which The item for salaries and expenses amounted to and to say that never was money better earned than salaries to their officers. (Cheers.) They had a staff of officers certainly equal, and he believed truth superior, to that of any other banking company to inform the shareholders that the increase of officers had been received with great thankfulness if possible, redoubled the zeal and assiduity of the admirable mode of distribution adopted by their able hands this matter was placed, an increase of 10 per cent. on the salaries of the whole staff, and, in addition a certain number of years and upwards in the service, received one-fourth per cent. for every year of those who had been 20 years in the service received an increase, and some two or three who had been as long in the service received an increase of about 17 per cent. With respect to the item £1,575, voted to three of them, all he could say was that it was received as a tribute of confidence on the part of the shareholders. (Cheers.) Turning to the profit and loss account, he saw that the sum of £39,429 had been set aside, not yet due, and that sum had been carried to the interest was taken at a high rate. The directors were a dividend at 6 per cent. for the half-year, and a bonus at the rate of 12 per cent. for the same time they carried forward a balance of £18,629. At the meeting the number of accounts had increased by 1,767 customers, which resulted in a business both in town and country. (Hear, hear.) The directors had entered the field in competition with them, but the increasing accounts showed that the company had them. New branches had been established at Newington, Hackney, Caledonian Road, and Slough, the London branches being raised to that position from several new sub-branches had been established in the request of persons in the various districts. Altogether the company was in the most flourishing condition, and, to the credit of the directors, might its shadow never grow less. (Cheers.) The chairman, seconded the motion. He asked whether it was possible for the proprietors to meet them some days before the meeting. He also asked the chairman could state that the concern was in a good condition, and that the report was a real bonum as a shareholder he had no wish to be placed in the hands of bank shareholders.

The Chairman said that owing to the number of returns to be made from the various branches, and the time it took to draw up the statement of accounts, it was impossible to issue the report before the meeting held. To say that the report was not an honest one would be to say that the directors, managers, and clerks were all rogues. He could only say that the most constant care and vigilance were exercised in checking various accounts and scrutinising the business offered to the bank. There had two sets of inspectors who were constantly travelling from one branch to another, inspecting and scrutinising the accounts; in addition to Mr. Jones, the deputy-chairman, himself went weekly through the returns sent from the various branches to the head-office.

A Shareholder, in reference to the vacancy in the board caused by the decease of Mr. J. Laming, and its being filled up by the appointment of Mr. Alexander by the board, expressed an opinion that the shareholder ought to be consulted with reference to the filling up of such vacancies.

Mr. McEwan called the attention of the shareholder to the fact that the deed of settlement absolutely directed the board to fill up any vacancy.

The report was then put and adopted unanimously, and a dividend in accordance with its terms was declared.

The retiring directors and auditors having been re-elected, cordial votes of thanks were given to the chairman and directors, and to the managers and staff, and the proceedings terminated.

BANK OF EGYPT.

THE ninth annual general meeting of the proprietors of this bank was held at the London Tavern on the 3rd February; Mr. W. Tite, M.P., in the chair.

The Secretary having read the notice and the minutes of the last meeting, read the following report:—

"The directors of the Bank of Egypt have the pleasure, at this ninth annual general meeting, to submit to the shareholders the annual statement of accounts for the half-year which ended on the 31st of December, 1864. The net profits, after providing for bad and doubtful debts, amount to £20,028. 13s. 9d. This, added to £6,272. 12s. 8d., the balance brought forward from the previous half-year, makes a total of £26,300. 6s. 5d. available for appropriation. The directors recommend that £6,000 be carried to the reserve fund, which will then amount to £20,000; the dividend be declared, as on the last occasion, at the rate of 10 per cent per annum for the half-year (£12,500) free of income tax; and the bonus of 5s. per share (£2,500) be added thereto, leaving a balance of £4,819. 6s. 5d. to be carried forward to the next account. In conformity with the provisions of the deed of settlement, William Tite, Esq., M.P., and Patrick F. Robertson, Esq., go out of office, and being eligible themselves for re-election. The auditors also retire from office and are eligible for re-election."

The Chairman, in moving the adoption of the report, said that he very few observations with which to trouble the meeting. The affairs of the bank were in a very flourishing condition, and they were enabled to declare a higher dividend than they had hitherto done. The gross profit of the half-year amounted to £26,808, which was a much larger sum than was earned in the corresponding period of last year. The expenses

ed, being £6,780, which left a net profit of £20,028. ly satisfied with the management in Egypt, and commercial affairs in that country, they considered hat country had been managed most skilfully and management in Egypt consisted of three persons, one of Alexandria, and the other two gentlemen were most satisfactory to be able to report that there had tatever within the last six months. The rate of ex- matter of consideration with them, and had been r as they were concerned. Their capital had always rate of exchange being 95½, which was pretty much the difference being in favour of the company. They ve fund the sum of £6,282, and he was happy to say w amounted to a substantial sum, viz., £20,000. uld learn with satisfaction that, it being the in Thurburn, one of their directors, to proceed to his own private affairs, he had kindly undertaken to of the bank in Egypt, with a view to ascertain how extended and its prosperity increased. The board owered Mr. Thurburn, in conjunction with the act for the company in any way which he considered sfit of the institution. The board were convinced erests of the bank in the hands of Mr. Thurburn, knowledge of Egyptian commerce, they were placing a wise and prudent man, and they anticipated the he visit of that gentleman to Egypt. He concluded a of the report, and the declaration of a dividend of us of 5s. per share, payable on the 10th inst. n, Mr. P. F. Robertson, seconded the resolution. s by Mr. Wright,

that, although the bank received a fair share of the competition to which they were subjected, that they could calculate much upon. They, however, claim. The directors were not of opinion that it was a reserve in Consols, on account of the large loss of result.

adopted.

Mr. Mangles, seconded by Mr. Bramley Moore, M.P.,
 The directors were re-elected.

of Mr. Taunton, seconded by Mr. Tidmarsh, Mr. Morgan were re-elected as auditors.

whether, considering the wonderful expansion of
ess, the directors had contemplated increasing the
o expressed a hope that when Mr. Thurburn went
e into consideration the advisability of diffusing the
in that country.

that the subject of the increase of capital was under the directors, they being quite in a position to obtain as desirable. To that point Mr. Thurburn would insist, and the board would to a great extent be guided might make to them. He (the chairman) was of the opinion that had arrived when the capital might be judiciously increased to the issue of notes in Egypt, the directors had the Egyptian management the advisability of issuing

them, but unfortunately the gentleman who took a principal management when the bank was first established, and who in such difficulty, took a very different view, and all the notes were actually printed and sent over, the board could not do otherwise. He had very little doubt that if the notes had been issued at that time a very large number might have been sent out; but the time is now gone by, and the ground being occupied by other parties the chance of getting them issued.

Mr. Thurburn confirmed the chairman's views on this point, that the trade and commerce of Egypt were increasing so rapidly, that there could be no doubt that the prosperity which had attended this trade would not only be continued, but greatly increased. (Cheers.)

A cordial vote of thanks to the chairman and directors was carried. The proceedings.

UNION BANK OF AUSTRALIA.

A SPECIAL general meeting of proprietors was held at the office of the bank in Old Broad Street, on the 3rd February, to consider a proposal for increasing the remuneration of the board of directors, in accordance with a requisition signed by the requisite number of shareholders; Mr. Carter presided.

The Chairman remarked that the question to be considered was entirely a proprietors' question, that no explanation from the directors was necessary; therefore he would call upon Mr. Hamilton to move the motion of which he had given notice.

Mr. Hamilton moved that the annual remuneration of the board, now £3,500, be increased from the 1st January last to £3,600, to be divided among the twelve ordinary directors, to be appropriated by them as they think fit, and that £1,200 be allowed to Mr. Cumming, so long as he holds the position of chairman of committees. He proposed this increase in the interest of the shareholders themselves, to whom it was of great importance that the same high standard of qualification which had characterised the direction should be preserved, and this would be secured by offering an adequate inducement to gentlemen of recognised position, and experience, to undertake the responsibility attending the employment of so large a capital in a field so vast, so full of difficulties, and in the face of so much competition. He pointed to the heavy remuneration paid in some of the principal London joint-stock banks, whose capital and average profits did not exceed their own, as affording an example in affirming the proposal. The present allowance to the ordinary directors was fixed in 1852, when they had only eleven branches, and a capital of £800,000. Now they had branches in all parts of Australia, New Zealand, and a capital of a million and a quarter. The increase in the number of branches and of the general business of the bank necessarily entailed upon the board a great addition to their duties and responsibilities.

Mr. Botley seconded the motion.

Mr. J. Yettis did not think it expedient that there should be any increase in the directors' remuneration; and in regard to the rate of interest given to directors in some of the London banks, remarked that the duties and responsibilities of management in London banks were greater than those of a bank whose business was carried on in the colonies.

specially appointed for the purpose, and who were, able parties. He further reminded the meeting that largely interested as shareholders, and in taking care of the company they were looking after their own interests. The proposed increase would bring up the directors' per cent. on the net profits of the concern.

believed the duties and responsibilities of directors in the company to be infinitely less than those of the directors of a bank at the other end of the world. As to Mr. Cumming, he was of opinion that the performance of his duties, and had relinquished all other duties in order that he might devote his entire attention to the management of this bank.

thought it out of place that they should discuss this question of the directors themselves, and suggested that it should be left to a half-a-dozen shareholders on each side to consider the matter at the next ordinary meeting. The proposed increase would absorb the entire amount carried over at the meeting. If they resolved upon making this addition to the directors, how could they refuse a similar demand from the directors of the colonial branches?

to know whether proxies had been issued from the shareholders, and if they were to be used in favour of this motion?

replied that of course they would be used—they had been used before.

added that it was necessary to issue the proxies from the shareholders not being known to the requi-

though as strenuous an advocate for economy as any one, he was of opinion that to pay its directors adequately, and considering the duties he did not consider the proposed remuneration and expenses of management he admitted were very heavy,

observing that there were not forty shareholders present, he adjourned the discussion to the next general meeting.

The motion was put and lost by 17 votes against 11, and the proposed increase carried by 18 votes to 10.

The meeting then terminated.

BANK OF WALES.

A general meeting of shareholders was held on the 4th of January at the London Tavern; John N. Daniell, Esq., in the chair.

The directors' report:—

We have the pleasure of submitting the following report for the half-year ending the 31st December last. The statement shows that the gross profit for the last six months, £8d. brought forward from last account, amounts to £1,940. 3s. 7d. and that, after deducting current expenses, directors' fees, there remains a balance of £1,808. 15s. 7d. The directors recommend that £1,808. 15s. be appropriated at the rate of 5 per cent. per annum for the half-year. The shareholders have already been informed by circular that arrangements have been made for an amalgamation of this bank with the Provincial Bank, upon equal terms. Your directors were induced to

take this step in consequence of the rapid development of the Welsh branches requiring more capital than was at their disposal, and the large available resources of the Provincial Banking Corporation. It was that want without necessitating a further call upon the shareholders which was satisfactory to state, after some experience of the working of combined banks, that this fusion of interest will considerably add to the success of the amalgamated bank, and enable it at all times to meet the requirement of the branches. Your directors cannot make this statement to the shareholders without tendering their thanks for the confidence in them, and they have no doubt that their property—being restated upon a substantial basis—will materially increase in value.

"Balance sheet to December 31, 1864. Dr.: To capital, to reserve, £500; to amount due on current, deposit, and other accounts, £164,222. 16s.; to gross profit: From last account, £203. 10s.; from forfeited shares, £2,500; profit after making provision for doubtful debts, £7,670. 13s. 7d.; together, £10,374. 10s. 3d. Cr.: By preliminary expenses, £6,278. 12s. 6d.; cash on hand and at bankers', £38,994. 8s. 3d.; by freehold and premises, furniture, expenses of establishing and purchasing branches, £19,261. 16s. 9d.; by bills discounted, loans, &c., £174,563. 2s. 6d.; current expenses, including arrears of directors' fees, &c., £1,000. 1d.; by interest paid, £2,027. 14s. 7d.: £247,532. 6s. 3d.

"Profit and loss account.—Dr.: To current expenses as above, £12s. 1d.; to interest paid, £2,027. 14s. 7d.; to dividend at 5 per cent. annum, £1,808. 15s.; to balance carried forward, £131. 8s. 7d. Cr.: By gross profit, £10,374. 10s. 3d.; total, £247,532. 6s. 3d."

The Chairman, in moving the adoption of the report, remarked that he met the shareholders, with mingled feelings of pleasure and regret, at the last time. It was a matter of pleasure from the circumstances which the property of the bank was placed, and he regretted the termination of the short acquaintance he had had with the shareholders. He was glad to see the cases of amalgamation of this kind, when once it was on foot, and that action was essential and necessary. Anything that admitted of delay or cavil, beyond a thorough investigation of all accounts, rendered it difficult to carry out such a thing, although in the ordinary mode of doing business it might be a matter easily carried out. On the other hand, the board had a feeling that it would be well for all their sakes that the matter be kept a secret until the arrangements were perfected. They were going on with the Bank of Wales profitably and well, but there was one thing which met them in the face in whatever direction they turned, namely, the want of capital. They had a vast field open to them as far as their capital went they made it productive; but it was not sufficient for the business of so large a province. This was not the first time they had made to join other banks, but it was the first attempt emanating from another bank, and not from the Bank of Wales, and in which they were willing to take them on equal terms. They could admit of no inferiority, and the shares were equal. They had the happiness of being joined to a company with a large independent capital, but it had no business to expend it upon, whilst they had a large business with one. They had means of inspecting the accounts, and nothing more promising for the future interests of the Bank of Wales than was carried with them their manager, and he felt certain that they would be called upon for further subscriptions. (Hear, hear.) He moved the adoption of the report.

ended the motion, and admitted the discretion of the
out the negotiations with secrecy, and without calling
er, although at first he felt some jealousy on this
importance of having professional auditors, inde-
ors and shareholders.

ne of the auditors, spoke in favour of appointing
lders as auditors. He was satisfied that the direc-
vise discretion in carrying out the amalgamation,
al rule directors ought not to have the power of
her institutions without consulting the shareholders.
ooking into details, whether the terms of the amal-
were quite equal; on the contrary, he believed he
rovincial Company obtained an advantage.

ector) endorsed the chairman's statement as to the
amalgamation, which he said was based upon perfectly
o both. He had no doubt that at the first meeting
company a very favourable balance-sheet would be
would now number 800 shareholders and a capital
atisfactory to know that according to the arrange-
made upon the shareholders of the Bank of Wales
alled up from the shareholders of the Provincial
saw, there was no prospect of any call being made,
on the Provincial shares.

Mr. Schleisenger as to the improved position in
his bank must henceforwards stand in the market,
t unanimously.

the rate of 5 per cent. per annum, payable on and
then declared.

the auditors followed, and £25 was awarded to them

ledging the services of the manager in London, the
d the other officers, was proposed by the chairman
a brief acknowledgment from the manager, the
ne chairman and board of directors concluded the

EDIT AND FINANCE COMPANY OF LONDON, LIMITED.

general meeting of the proprietors of this company
February, at the London Tavern; Mr. S. Laing in

J. R. Butler) having read the advertisement con-
read the following report and statement of ac-

accounts of the Company's operations for the first
istence, viz., 1864, the Directors have much pleasure
shareholders on the results. The paid-up capital
00 during the first six months, and £1,000,000
months, or on the average £750,000 during the year.
its of the year (less rebate) amount to £287,906.

But of this, £125,000 results from the premium of £1 per share on the creation of new capital, and £31,250 from 5s. per share in lieu of interest on the new shares, so as to entitle them to receive dividend from the 1st January, 1864. Apart, therefore, from the new shares, the result would have been a net profit of £131,650. In this account of profit all securities had been taken at their market price on the 31st of December. As the creation of new shares is an exceptional source of profit, the directors recommend that a balance of £125,000 resulting therefrom be carried to a reserve fund. A balance of £180,731, out of which an interim dividend of 10s. per share, amounting to £25,000 has been already paid. The directors recommend that an additional dividend of 10s. per share, to come tax, be now declared, amounting to £125,000, and that the 2s. paid in August, a total dividend of 12s. for the year, at the rate of 15 per cent. on the whole capital of £1,000,000. The balance of £22,440, to be carried forward to next year's account with the reserve fund of £125,000 a sum of £147,440 undivided to the £150,000 distributed as dividend. The directors recommend in accordance with the provisions of the articles of association the vacancy caused by the retirement of Mr. Charles Devanport to the election of his brother and partner, Mr. Alexander Devanport. Quilter, Ball, and Co., the auditors appointed at last Meeting, to stand for re-election."

"S. LAING, C.

Balance-sheet, December 31st, 1864.

Dr.

LIABILITIES.

Capital account :—250,000 shares £4 paid	...	...	...	...	...	£1,000,000
Reserve	...	...	...	...	...	1,000,000
Calls overpaid	...	...	...	...	...	1,000,000
Bills payable and deposit receipts	...	...	...	...	...	1,000,000
Accounts current and sundry liabilities	...	...	...	...	...	1,000,000
Unclaimed dividends	...	...	...	...	...	1,000,000

Profit and loss—balance at credit of this account

Cr.

ASSETS.

Cash in hand and at bankers'	...	...	...	...	...	£1,000,000
Bills receivable	...	...	...	...	...	1,000,000
Short loans on securities	...	...	...	...	...	1,000,000

... and accounts current	...	...	£531,022	14	1
... value	...	...	509,540	1	0
... ding leases thereof bought up	...	...	27,055	10	4
...	...	...	1,780	0	0
... per share	...	...	25,000	0	0
			£2,625,104	11	1

PROFIT AND LOSS ACCOUNT.

... ies, income tax, directors' remunera-					
... rinting, stationery, including every			£27,931	5	8
...	...	...	180,731	10	9
			£208,712	16	5

... from last year	...	...	£9,534	11	1
...	...	...	199,178	5	4
			£208,712	16	5

... s not due, at 6 per cent. carried to			£8,291	8	2
...	...	...	25,000	0	0
... per share	...	...	125,000	0	0
... e now recommended	...	...	22,440	2	7
... o new account	...	...	£180,731	10	9

...	...	...	£180,731	10	9
			£180,731	10	9

...oving the adoption of the report, said that it was
...w remarks to the meeting upon that resolution.
...d the pleasure of meeting the proprietors, they had
...ight always be considered a critical period in the
... . A new company like theirs could hardly be con-
...d until it had passed, as a trial, through a period
...ast autumn the continued pressure for money, and
...d so contracted the ordinary channels of accom-
...of considerable panic was experienced, and sus-
...uring that period fell very naturally in a great
...financial institutions which were in the nature of
...were working in a way with which the public were
...sequently there was brought to bear a sufficient
...what was sound and what was unsound in the posi-

er of this company to deal. This company really
ean financial power, which power only required to
ce and intelligence in order to lead to a very suc-
arded the profit which appeared on the balance-
took into account the profit resulting from the
it would appear extremely large. But the fair
to set aside the profit resulting from the issue of
uting a reserve fund from it; and to see how they
y had not increased the capital, and thus derived
of profit. In that case they would have had a
ing the average of the year, and a net profit of
the rate of $17\frac{1}{2}$ per cent. The profit no doubt
y increased if they had chosen to run greater
large profits and great risks were almost
It was evident from the statement made to
ent of his address that they could not have been in
l the assets realisable at command, or at a week's
ched out more largely and traded on credit. On
had traded on their credit, as looking at their large
e amount of their reserve fund they might have
of course have realised larger profits in the year.
er, it was much better to deal safely, and to establish
stitution like their's by passing a period of pres-
unimpaired and their resources immediately avail-
they should have used their credit more extensively,
eager profit have run the risk of suspicion attaching
) However the result had been that a profit of $17\frac{1}{2}$
tainly a very handsome one, had been realised as
e of the year. He could only say, being a large
director, that he wished they might go on doing as
s they had done in the past. (Hear, hear.) There
in the accounts which he desired to refer to to make
use he always liked to give shareholders beforehand
it struck him it was desirable should be given,
be elicited by questions. As regarded the current
down at £27,981. It was right that the meeting
at item was included the sum of £15,000 for the
e, which, as they knew, was fixed by the articles of
nt. on the divisible profits above 5 per cent. in lieu
t included also the income-tax upon the dividend,
475, making together £19,475, or in round numbers
,000 of current expenses, leaving only £8,000 for
uding advertisements and all other charges, and
, a moderate amount for conducting a business of
in which they were engaged. The only other point
advert was the propriety of not dividing the profit
to the last penny, but carrying a portion to a reserve
£125,000, the premium of £1 per share on the new
ld not be a question as to the propriety of putting it
(Hear, hear.) To divide that would be altogether
efore, the only question was as to the propriety of
xt year's account the balance of £22,440 undivided
at was a prudent policy, and that the declaration of

a dividend of 12s. per share for the year, which amounted to 15 on the whole capital of a million, was going as far as was prudent able, in the first year of an institution which was looking forward to the future. If they paid very large dividends at first, and the shareholders got accustomed to excessive dividends, and the shares regulated in the market accordingly, disappointment might be felt and experienced at every meeting at which they did not declare 20 or 25 per cent. and there was considerable risk that, in order to make such large dividends in order to satisfy the shareholders, the directors might be led to hazardous speculations rather than meet a disappointed body of shareholders accustomed to high dividends. So long as they did not do bad business or run any great risks, but confined themselves to a moderate course, making good interest for their money, transacting every business and sound financial business wherever it offered without running excessive risks, he was convinced that they would do well. But they concealed from themselves that in every institution of this character there was a great temptation to boards of directors to take hazardous business for the sake of a large profit, and though they might once or twice obtain an excessive profit, yet in the long run he believed they would be safe to be caught, and in all probability then have to disgorge a portion of the profits which they had previously made. (Hear, hear.) He was therefore strongly of opinion, and the other directors concurred, that the wise and prudent policy was to go on year by year paying only what was within what had been earned, keeping up a large reserve and only launching out into a larger dividend when they saw that their affairs would really admit of it in prudence. Before he moved in resolution he would refer to one or two large operations in which the company had been engaged, because they had, he might almost say, a great interest. They had just brought out one very large affair, the State Loan, which had been entirely taken up. (Cheers.) The nominal capital, which was £8,000,000 nominal capital, had been uncovered by public subscriptions, consequently it had all been covered by *bond fide* subscribers, and the contractors were not left saddled with a portion of it. (Hear, hear.) They realised a very fair profit and no loss upon the business, and were not left with any material risk or liability. (Cheers.) They had also been instrumental in offering to the public here an investment which looking at the rate of interest on the one hand, and at the nature of the security on the other—a fair investment in a foreign loan; and although in a matter of business they were in pounds, shillings and pence, and did not let other considerations enter into their minds, still it was a source of satisfaction to feel that what was called a good business on sound commercial principles, was also been instrumental in naturalising Italian securities in the English market and drawing closer together the ties that connected this country with Italy as a free constitutional kingdom, likely to stand in the relation of a political ally with this country. (Hear, hear.) There was another operation in which the name of this company had been previously brought before the public in connection with the Spanish Government. That negotiation did not lead to any result, because the provision which had been signed was not ratified by the Spanish Cortes. At the same time he thought the public opinion was that while the company was perfectly right, on the other hand, to refuse to advance money unless they saw their way to a satisfactory settlement with the

other hand, justified in entering into a negotiation which would lead to the formation of a practical scheme for the adjustment of a complicated and difficult question, it would have the effect of raising the value of the shares, and that in re-opening the Exchanges, both of Paris and London, the Spanish government, they were engaging in an operation which would be beneficial to all parties. Although that negotiation had not been carried into effect, he was still of opinion that a similar basis would be most beneficial to all parties. At the same time he was bound to say that no imputation could be put upon the Spanish government on account of its having not ratified the treaty, as the treaty was expressly understood to be a proposal for ratification. That it was not ratified he thought was due to the state of excitement and confusion with regard to the question, and Senor Salamanca, the Spanish Minister, had acted with perfect honour and good faith, and never misled the shareholders. He thought they had made a very good arrangement which would be subject to ratification, and that it was not ratified was due to the conclusion, he might say that the question had admitted of a settlement, and that this very negotiation had been the means of settling it. He therefore hoped that before many months had passed through this or some other quarter, the Spanish government would open its eyes to its true interests, and that a fair settlement might be come to. (Cheers.) He merely adverted to the fact that the Italian loan were the two large operations in which the General Credit Company had been brought prominently into notice, and the mere fact that they had been engaged in such operations showed that they must have made considerable progress. They first started with their way to make in the world, and of a completely novel and experimental character, and many old-fashioned bankers and capitalists shrugged their shoulders and doubted whether they would not come to grief in the end. (Cheers.) He concluded by moving the resolution, and the declaration of a dividend of 10s. a share, for the 20th of February, making, with the *ad interim* dividend, 15 per cent.

He then asked whether any business was being transacted by the company with regard to Turkey.

He said that negotiations were going on with respect to the state of the accounts, the allotment of the shares, and that the General Credit, the transactions entered into by the General Credit and the Société Générale of Paris, the half-yearly meetings, the Anglo-Egyptian Loan, the dividends, and other matters.

He then asked by the shareholders with respect to the state of the accounts, the allotment of the shares, and that the General Credit, the transactions entered into by the General Credit and the Société Générale of Paris, the half-yearly meetings, the Anglo-Egyptian Loan, the dividends, and other matters. He then called the attention of the board to the way in which the company was getting up, which he complained of as vague, indefinite, and without any actual results of the company's operations. As it appeared that the rebate, the premium of £1 per share

and the interest of 5s., the net profits would be £123,365, which would be the bona fide earnings of the company. They had divided Now, if they referred to the 18th article of association, it was that no division should be made except out of earnings, and he conceived that the £1 premium and 5s. interest could be treated as earnings. He wished to know whether the directors had taken their salaries out of those premiums, after deducting the 5 per cent., which was first deducted. In his view such premium could not be treated as earnings.

Another Shareholder said that if any profit had been realised out of the French Société Générale shares, he thought that would be on the same condition as the premium referred to. He wished some explanation to be given in respect to the French shares. Various other questions were asked amidst the impatience of the meeting, but inasmuch as they were answered in detail in the speech reported below, it is unnecessary to repeat them here.

The Chairman, in reply, said that he would proceed to answer the various questions which had been put to him. With reference to the appeal of one hon. proprietor not to disclose too much in detail of the investments, he could assure him that he need not be anxious to do so, for as long as he had the honour of being in that chair, he would never do anything inconsistent either with the interests of the shareholders or the fair interests of other parties. It so happened that on one occasion there was nothing at all in their table of investments, and on this occasion his word, which could not be explained before the whole meeting, was affecting any interest or doing any harm, but which on the contrary would redound to the credit of the company. At the same time it might perfectly well be otherwise, and it might happen that another year they might have investments which, though perfectly sound and justifiable, might place them in a critical position, and he for one would not establish a principle of detailing their investments under circumstances which might be prejudicial to the company and grossly unfair to other persons. There was, however, on this occasion one exception, because it related to a business which was nearly wound up, and with which they had been previously associated. He alluded to the Société Générale. It was perfectly true to ask the nature of the company's connection with that company, and whether there were any liabilities or engagements of that company, in which this one was concerned. The connection between the two companies consisted of a treaty by which in all large affairs they reciprocally offered to one another a certain proportion of business, which it was free for each to accept or reject. Of course it was equally free to this company to refuse any business offered by the Société Générale, which, from being a French company, or from any other cause, was a description of business in which they did not see their way to a profit. It was perfectly true that the company originally held 20,000 of the French shares; and when they met in the meeting some time last year, those shares were at a premium of £120,000. It was perfectly true that he stated that so far as the company then saw, taking into account the issue of new shares, and the value of the shares, the profit of the year would come out between £400,000 and £450,000, and he thought that that statement had been very correct. The profit, as it stood on the balance-sheet, was £190,000. On round numbers £200,000, to which must be added the reserve

a profit shown on the balance-sheet generated which brought the whole 100,000. The market price of the premium, therefore there was a profit, however, were not under the condition under which their being locked up in what was not under this company's control, might say at once, as it was no longer. They could not dispose of premium, and when the time came a large number of shares were thrown price went down as low as £2. 10s. if the whole of that profit might intrinsic goodness of the concession business was such that the French prices, bought up the shares, and that this company had been able to considerable profit, and the remainder (leaving them.) They had them valued on—much lower than they stood at profits for the past year did not have done. Since then they had than they had been valued at, and above the figure at which they were consequence of which was that a from them in the current year. respect to the propriety of limitation which they must deal with it be distinctly understood that no commission under the articles of amount placed to the reserve fund—so that when they recommended did so in effect at their own expense entitled to their 10 per cent. upon interest, it was considered highly was made, that instead of having at Exchange with different values, same position as the old, and thereas paid up from the 1st of January, and upon them. Such a proceeding proprietors of the new shares, the bought a new share at £1. 5s. per share which was now worth £3; portions of shares, one of which did year, they would not have been in as therefore legitimate interest actually was astonished by the ingenious considered that because they were able a capital of £375,000, they were 17½ upon a capital of £750,000. ingenious, but if they tested it by the evidence, they would soon see what it

was worth. Public opinion on this question was the best test. the time alluded to, the total amount of premium which the public considered the shares of this company were worth, was, at 3 prem. 125,000 shares, £375, but now the value of the premium set by the public on its shares, was £750,000, so he was quite at a loss to see how they could be in a worse position now than then. He expressed himself opposed to half-yearly meetings in a company of this description, because it was like a bank where the transactions consisted simply of discounting, where the accounts could be made up with perfect ease and accuracy every half-year. In their case they were constantly involved in large and complicated operations—such as foreign concession loans, and so on—which took a long time to mature, and the results of which could be only anticipated. In the case of the *Société Générale*, for example, in what way could it have been brought before them at a half-yearly meeting? Either the shareholders would have to be very reserved in their communications, or they would as was more probable, indulge in anticipations that might not be realized, and thus act upon a puffing system, to which he was entirely opposed. In the course it was in the power of the shareholders to alter the articles of association by holding two special meetings, and to hold half-yearly meetings in opposition to the views of the board, and then of course the board would have to consider its own position in relation to the proprietors. It was his decided opinion, and that of the board, that the present system was better for the permanent interest of the company. The only objection point was the Venezuelan loan. That loan was started by the General Credit Company on commission at a fair risk. The public must understand that when loans were offered at a low price, and at 10 or 11 per cent. interest, they could not expect to invest their money in such security with the same amount of certainty as if they were investing them in Three per cent. Consols. The question was whether the high rate of interest compensated for the risk, and the only duty of the General Credit Company in this case had been to see that the statements put forth in the prospectus were *bonâ fide*. They found them to be so, and hitherto the Venezuelan government had acted upon them; therefore, so far as the General Credit was concerned, there had been no misleading of the public. What they did was to send an agent out to Venezuela, who ascertained that every statement was fully certified before it was accepted. The Venezuelan government had acted with perfect good faith in regard to the contract entered into, and had remitted, and were in course of remitting the customs' duties to meet the loan. That being the case, the General Credit Company was free from responsibility in the matter, and the public who invested their money at 10 or 11 per cent. with their eyes open. The company had in respect to this loan done the business of a commission agent, and of course it was not for them to guarantee the holders of the loan from wars and revolutions in South America. All that he could say was that the Venezuelan government had hitherto carried out the arrangements made for meeting the loan in perfect good faith.

A Proprietor reminded the chairman that he had inquired whether in the event of this company bringing out others, the shares could not be allotted *pro ratâ* among the proprietors.

The Chairman said that he was glad that the hon. proprietor had reminded him of that question. The General Credit Company had not for some time past brought out any companies. When they did bring out any the board would be happy to enter into an arrangement with any number of the shareholders that they should subscribe the whole of

or bind themselves to accept the shares allotted better or worse. As long as that was not the case, the business must know that, if the shareholders speculate upon getting, a certain number of shares turned into the market when they were at a premium, that the possibility of bringing out any company, besides Messrs. Mangles, would take the responsibility of issuing when a large number were in the hands of parties who had been brought in to swamp the market. It was tried in the case of Mr. Bay shares, with what result they knew, and the Eastern Banking Company were not going to repeat the

question, that the company did not itself hold any of the

put and carried unanimously, and the auditors, Messrs. Mangles & Co., having been re-elected, on the motion of Mr. Mark Phillips, a cordial vote of thanks to the directors concluded the proceedings.

EASTERN BANKING COMPANY.

A general meeting of proprietors was held on the 6th of January at the Tavern; Mr. A. Laurie in the chair.

The balance-sheet were read by the Secretary as

follows:—The directors presented to the shareholders a statement of accounts to the 31st December 1886, showing the business of Messrs. Mangles & Co., established in 1836, and carried on at Guildford as a nucleus, and shortly afterwards the business of Messrs. Burgess and Canham, the Ramsgate branch, which has proved highly satisfactory. Since the establishment of these agencies have since been opened, making where the bank is now carrying on business. By the statement it will be seen that the gross profit up to the 31st December 1886 was £4,117. 13s. 8d. After deducting interest paid to the holders of current accounts, current expenses, rebate on deposits, and providing for a loss of £216. 5s. 1d. in the year, there remains a net profit of £4,845. 6s. 3d. The directors proposed the payment of a dividend at the rate of £6 per cent. (after income tax) on the paid-up capital, which will be £367. 15s. be written off the preliminary expenses of the purchase of the old banks, being at the rate of 10 per cent.—and that the sum of £500 be appropriated to the reserve fund, which will leave £476. 19s. 11d., together with rebate on deposits, £1,030. 8s. 11d., making the sum of £1,507. 8s. 11d. carried forward to new profit and loss account. The directors of the articles of association all retire, and themselves for re-election. The auditors, Charles Robert Smith, Esq., vacate their offices, and being

eligible, offer themselves for re-election. The dividend will be on and after the 7th inst.

"Balance Sheet.—Dr.: To capital, viz., 10,000 shares of £25 each which £10 per share have been called up, £100,000; less out calls, £4,635; amount due to customers on current and deposit account, £279,367. 14s. 5d.; gross profit up to Dec. 31, 1864, carried to profit and loss account, £14,117. 13s. 8d.; total, £388,850. 8s. 1d.—Cr.: By branches, City Bank, and call, £66,382. 0s. 9d.; bills discounted and other securities, £274,384. 14s. 6d.; sundry stamps, £432. preliminary expenses, £7,354. 17s. 10d.; purchase of old banks, £22,258. 3s. 4d.; leaseholds of bank premises, fittings, safes, furniture at head office and branches, £7,461. 12s. 2d.; cost of establishing branches and three agencies, including solicitor's charges, travelling expenses, &c., £2,334. 13s. 9d.; interest on current and deposit account, £2,491. 16s. 2d.; salaries and other expenses at head office and branches, £5,750. 2s. 4d.; total, £388,850. 8s. 1d.

"Profit and Loss Account.—To interest on current and deposit account, £2,491. 16s. 2d.; current expenses, including rent, rates, salaries, stamps, &c., £5,075. 10s. 7d.; loss of notes and drafts in transit through branches, £216. 5s. 1d.; directors' remuneration for 1864, £458. 6s. 8d.; rent of bills discounted, £1,030. 8s. 11d. Net profit:—Amount written off preliminary expenses, at the rate of 10 per cent. per annum, £360. amount written off purchase of old banks, at the rate of 10 per cent. per annum, £1,112. 18s.; dividend at 6 per cent., £2,387. 13s. 4d.; carried to reserve fund, £500; amount carried forward to profit and loss account, £476. 19s. 11d.; total, £14,117. 13s. 8d.; by gross profit the half-year, brought down, £14,117. 13s. 8d.; total £14,117. 13s. 8d.

The Chairman said that the report gave all the information necessary, but he should be happy to answer any question that might be put. There was one remark he wished to make in reference to the £500 placed in the reserve fund. That sum might appear small, but there was a clause in the articles of association which stated that the directors should, before recommending a dividend, place a sum to the reserve; and to comply with all legal requirements they had placed £500 to that fund, which they hoped soon to increase to a much larger amount. In conclusion, he moved that the report be adopted.

Mr. Bradshaw seconded the motion.

A Shareholder inquired whether the £216. 5s. 1d. lost in transit through the post had been forwarded in notes or cheques, and whether the same had been registered.

The Chairman—It was contained in two parcels forwarded to the same branch. It consisted of notes and cheques. The notes had been cashed, and the cheques which have not been presented have been cashed. The parcels were not registered, and in this the manager disobeyed the regulations of the bank, for which he has been reprimanded.

In answer to other questions,

The Chairman stated that the manager of the branch in question was a very zealous servant, and as it might damp his energies to mention his name, he hoped he should not be pressed to do so. (Hear.) There had been no bad debts to provide for.

Mr. Sharp complained that a sufficient sum was not set apart for meeting the preliminary expenses and the purchase money for old banks, and moved that the dividend be at the rate of 5 inst.

the balance be credited to the purposes he had at the difference would be only £400, and he did not think the directors would wish to have their dividend reduced in order to put the fund for repaying the preliminary expenses of the old banks.

being seconded fell to the ground, and the report, which was put and carried unanimously.

Addressing the directors, who, under the deed of association, elicited an objection from Mr. G. Taylor, whom he highly eulogised for his business qualifications of many other joint-stock companies, and urged some of his other occupations, in order that he should not attend to his duties at the South Eastern board. He had been suffered by some other banks had all been not looking sufficiently after their manager.

that there was no director more regular in his attendance than Captain Mangles, whose services were of the greatest concern. (Hear, hear.)

He stated that many of the boards of which he was a member were only nominal duties. He had retired from the directors in order that he might devote more of his time to his private business. (Hear, hear.)

Several directors were then put seriatim, and their remuneration was re-elected, and twenty guineas each awarded

to the chairman and directors, and a similar compliment to the manager, having been accorded and acknowledged. His reply took occasion to observe upon the rapid increase of business at the several branches, adding that from the commencement he never re-discounted a single bill.

Several special resolutions were proposed and carried in the articles empowering the directors to sell the company (the alteration being necessary in order to comply with the requirements of the Stock Exchange), changing the name to the Counties Joint-Stock Bank Association, and increasing the capital of the company, by the issue of new shares to any amount not exceeding £1,000,000.

The chairman, holder, stated that the new shares would in all probability be taken up, which would go to the augmentation of the reserve fund.

The chairman concluded the proceedings.

AL BANKING CORPORATION, LIMITED.

At a general meeting of the shareholders of this corporation held on the 12th of February, at the London Tavern; G. F. Holroyd,

was read, stated that the directors recommend the dividend at the rate of 5 per cent. per annum, which will leave a disposable balance of £776. 0s. 8d.

The Chairman, in moving the adoption of the report, said, as a very long time had elapsed since they met them there, it would not be necessary for him to address them at any great length. The most important action of the board since they had last the pleasure of meeting them had been the amalgamation with the Bank of Wales. (Hear, hear.) The board had given that matter the most careful consideration. They went fully into the business and prosperity of that bank; they took especial care to inform themselves of the prospects of the business that they would be likely to obtain in that way. They found that these were very good, and at the same time they found the bank itself was not able to develop the business on the want of sufficient capital. On the other hand, this corporation had a very large amount of money in their hands, arising from the deposits and current accounts of customers, which they could not employ profitably in their business was not of such a nature as to require the employment of that large amount. The shareholders would see by the accounts that there was an excess of amount due to customers on deposit, current, and other accounts, over that due from customers and others on current bills of exchange. The surplus was something like £170,000. That sum, therefore, they might have been lying idle, because, inasmuch as the board had no use for it in the carrying on of their own legitimate business, they had to place it on deposit with the bankers at the ordinary price. They received from it no more than the interest the public received for their deposits, therefore no more than they were obtaining from their own customers. Looking at all these considerations, the Chairman felt there was a good opportunity, through the means of the Bank of Wales, for obtaining the means of disposing of their surplus capital, and doing so in a way of it profitably, in the way of the business of this corporation, and this led the board to amalgamation with the Bank of Wales. The amalgamation had been carried out entirely on equal terms. The shares of the Bank of Wales had been £100 shares, on which £20 had been paid up. The shares of the Provincial Banking Corporation were £50 shares, on which £5 had been paid, so that the shareholders of the Bank of Wales would receive two £50 shares for £100. Upon those shares they would be credited with £10 as paid up, so that if in the course of time any new shares were issued by the corporation, when a further £5 was called for, the shares of both classes would merge into one. He thought from what he had stated it would be seen, and the directors hoped and believed that the course they had taken in adopting this amalgamation would be to the benefit of the corporation, and would meet with their approval. As regarded the progress of the bank, if they compared the present balance-sheet with that which was submitted at the last meeting, in November, they would see there was a steady increase of the prosperity of the corporation both in the amount of deposits and also in the amount of the bills discounted, and so forth. That, he thought, would show that the business of the branches, as carried out before the amalgamation with the Bank of Wales, was gradually and steadily improving. At their last meeting the directors had opened two new branches, one at Kingsland and the other at the Edgware Road. They were induced to open those branches by a requisition signed by a large number of influential and respectable men of business in those several localities, and he had every reason to believe these branches would be likely to prove successful. In looking at the net profit, it would not do without an amalgamation to take it in any way as a criterion of what it would be in the future, although they actually commenced in July, they had at that time

The East of England Bank was not taken over and the business could not be said to have commenced August, so that their working did not extend over a year. On the other hand, from the reasons he stated, from the money on hand, practically unemployed, the profits were small if they had had a field sufficiently large to employ it. At that place, the expenses were large: they had taken over the Kingsland Bank; it was necessary to take over their liabilities. They were giving their best exertions to the reduction of the expenses. They had succeeded in reducing them, and they hoped that from what he said, they would see the corporation had a good prospect of becoming a sound and successful one. (Hear, hear.) It only remained for him, therefore, before the meeting of the report, that he should state, that as this was the wish of the proprietors, it was their (the directors') duty to trust they had hitherto reposed in them, and to ask for a renewal of their confidence. He could only say that he would extend that confidence to them for the future, he himself and his colleagues promise that they would devote their attention to the shareholders' interests, and they would endeavour to be at all times informed of the real state of the bank, so that if any loss should occur, which he did not think likely, they would be able to keep it secret from them. He begged to move the adoption

of the motion.

He stated what amount had been expended in opening the Kingsland branch. He did not think that the class of people living in the neighbourhood was a likely class to benefit a corporation of this kind.

He complained of the meagre appearance of the office.

He stated out that the current expenses of branches were not small, and of establishing the bank, and remarked that but for the fact of opening up the account they might not have heard of the amalgamation, he believed that the Bank of Wales was the best of the bargain.

In reply to various questions, stated that it had been the intention not to incur, in establishing the Kingsland branch, any expense absolutely necessary, and, therefore, they had only taken a room for six months at a small rent. (Hear, hear.) That they had incurred as yet in respect of that branch, and there was no doubt in favour of a branch being opened there, that if they had taken the matter up some other would have been the interest paid to customers was large as compared with the great amount of capital unemployed. The cost that had been spent, or would have to be paid, for the establishment of the branch was not small.

The current expenses of the two new branches, Kingsland and the other, were not small, but it was considered that it would be worth the profits of the bank to make up the account in the end. At the commencement little or no business could be expected. The sum was very small, and could not in any way be taken out of the dividend. Upon the question of a call, he

stated that at the last meeting the directors had not had an opportunity testing the business which they had taken over in the East of England Bank, but they had since found that they had a large sum unemployed and therefore they did not think it advisable at present to make a call. Of course they must be guided in making calls by the requirements of the bank, and by whether the money could be usefully and profitably employed. (Hear, hear.) No doubt as the business developed a call would be necessary. The working capital of the united banks amounted at present from £85,000 to £90,000, and the large amount of the deposits showed the confidence of the public in the concern. There was no truth whatever in the statement that an amalgamation was contemplated with the South Eastern Bank.

A Shareholder having expressed an opinion that their paid-up capital was exceedingly small for a bank with twenty-nine branches, and that it would have been better had the directors adhered to their original intention of making a call.

Mr. Michell observed that the very essence of successful banking was to trade with as little money as they could, because it was obvious that the smaller the capital the dividend had to be paid upon, the larger would the dividend be. And with regard to the security of the public, they rested not so much upon the paid-up capital as upon the capital uncalled. (Hear, hear.) This company had £1,300,000 of uncalled capital, and was upon that that they claimed public confidence, and that they would be able successfully to carry on the operations of the corporation.

The motion was then agreed to; the dividend at the rate of 5 per cent. per annum was declared; and the directors were re-elected, £500 being voted as remuneration for their past services.

Mr. Galsworthy drew attention to a clause in the articles of association by which a person described as the promoter of the company was to receive not only £5,000, but 5 per cent. upon future issue of shares; and urged the directors to exercise their ingenuity to get rid, if possible, of the objectionable clause altogether.

The Chairman said the directors were no parties to the articles, as they were registered before the board was formed, but they were anxious to get rid of the clause referred to, and would do their best to accomplish the object.

The auditors, Messrs. Cooper and Smallfield, were reappointed, and a vote of thanks accorded to them for their audit of the half-yearly accounts.

Complimentary votes were also passed to the directors, and to the managers and other officers of the corporation, and the meeting then separated.

ENGLISH AND FOREIGN CREDIT COMPANY, LIMITED.

The first general meeting of this company was held on the 6th February at the London Tavern, Mr. George Sheward in the chair.

The following report and statement of accounts were read:—

“The directors of the English and Foreign Credit Company, Limited, have much pleasure in meeting the shareholders and in laying before them the result of the Company's operations from the commencement of business until 31st December, 1864, a period of a few days over six months. After allowance being made for the preliminary expenses, and also

all current liabilities, and for rebate (£556. 17s. 10d.)
ons, there remains a balance of £5,836. 0s. 7d., which
e to employ in the payment of a dividend of 5s. per
sorb £3,553. 5s., and to carry the balance, £2,282. 15s.
year 1865, showing, with rebate, £2,839. 13s. 6d. at the
nts. Although by the articles of association one-third
s should retire, yet as this is the first opportunity of
tuents, they place the whole of their seats at the dis-
holders, but offer themselves for re-election. The
r and W. H. Notman, Esqrs., likewise present them-
L.

Balance-sheet, 31st December, 1864.

13 shares at £5	£71,065	; less arrears			
...	...	...	...	£69,015	0 0
g sums due on current accounts, and all					
...	...	...	...	63,058	8 5
...	...	...	...	556	17 10
er annexed statement:—Gross profits					
less disbursements £4,106. 10s. 6d.				5,836	0 7
				<u>£138,466</u>	<u>6 10</u>
...	...	...	...	£6,113	11 8
...	...	...	...	3	14 4
nts, securities, &c.				132,349	0 10
				<u>£138,466</u>	<u>6 10</u>

Profit and Loss Account, December 31, 1864.

Rent, advertising, stationery, salaries,					
nces and all charges	...	...	...	£2,258	6 7
s—Advertising, registration, solicitors'					
rges connected with the establishment of					
...	...	...	...	1,848	3 11
...	...	...	...	5,836	0 7
				<u>£9,942</u>	<u>11 1</u>
mission, interest, &c., £10,499. 8s. 11d. ;					
w account £556. 17s. 10d.	...	...	...	£9,942	11 1
				<u>£9,942</u>	<u>11 1</u>
...	...	...	...	£5,836	0 7

Statement of Balance at Credit of Profit and Loss 31st December, 1864.

share on 14,213 shares, being at the rate					
er annum	...	...	...	£3,553	5 0
w profit and loss, 1865	...	...	...	2,282	15 7
				<u>£5,836</u>	<u>0 7</u>

Balance	...	...	...	...	...	...	...	...	...	£5,83
										£5,83
										£2,28

Balance at credit of new profit and loss, 1865

The Chairman said he had little to add to the report, but that the progress they had made was very satisfactory. When they made the report they had entered into engagements a little beyond their strength, but there were three courses open—amalgamation, which was disadvantageous to any company when under difficulties, as it frequently involved a sacrifice of interest, and even of part of their capital; the next expedient was the renewal of the securities, and the directors thought it better to put money in the pockets of the shareholders than any one else's; and the last course was liquidation, and that could not be done without the consent of the shareholders. The directors, therefore, consulted some of the largest shareholders, and agreed with the directors that the most advisable course would be to call a dividend, and so divide the profits amongst the shareholders. Some shareholders were no doubt dissatisfied with the market price of the shares. They must recollect that to the men who bought these shares as an investment the market price was a matter of no importance; he rather looked to the dividends. As to amalgamation, they would be willing to amalgamate if it was with such a company as clearly to improve their position, but this company was not being hawked on the market for that purpose. He moved that the report be adopted.

The motion was seconded.

Mr. Hart said the thanks of the meeting were pre-eminently due to the directors for the manner in which they had conducted the affairs of the company, and he had the fullest confidence that they would have a successful future.

After some conversation the report was adopted.

The following gentlemen were elected directors for the ensuing year: Messrs. G. Sheward, Joseph Bray, James Hendrey, Charles E. M. Forrester, R. B. Oakeley, Harrison, J. Stenhouse, and C. B. Town.

The auditors were re-elected, and awarded £25 each for their services, and the meeting terminated with a vote of thanks to the chairman and board of directors.

LONDON MERCANTILE DISCOUNT COMPANY.

The first ordinary general meeting of this company took place on the 1st of February, at the London Tavern, Bishopsgate Street; Mr. George M. Mingham in the chair.

The report (which comprehended only ten months' working, the company having commenced business on the 1st of March) stated that the shareholders would observe that "overdue bills" were taken as a source of item from "bills discounted," and after a most careful examination of the former, made by a committee of the directors, assisted by the managers, the directors, they had been estimated at an amount under, rather than over, the sum which they might reasonably be expected to realise. During the first six months of the company's operations a profit was made which was encouraging to the directors; but the monetary embarrassments of the last half-year, and the numerous commercial failures which had

affected the London Mercantile Discount Company, in many other establishments of a similar character. The directors, acting with a prudence which the board could not but commend their operations during the late commercial crisis; and adoption of this course necessarily lessened the amount of loss which might otherwise have been done, the directors feel confident that such exercise of caution the losses might have been avoided. The directors regretted having in their first year to account for losses, but bearing in mind the very exceptional circumstances of the past half-year, the commercial crisis which had been gone through, and frequent fluctuations of the value of money, they thought it prudent to ratulate the shareholders that the loss was not more, and to give allowance for bad and doubtful debts the balance carried down to the next year's account was only £2,978. 17s. 5d. The directors have full confidence in the future working of the company: there is profitable business doing; and from the valuable counsel given by the company, this was capable of being greatly increased by employment of additional capital; they therefore fully expected that they next met their shareholders to present a much more improved statement.

The directors, in moving that the report be adopted, observed that the shareholders much pleased to meet the shareholders on this occasion, and to hear them regarding the position and prospects of the company. He said that they had sacrificed their capital, and that that result was due at by reason of their having embarked in undertakings of an abnormal character. He was anxious to take the present opportunity of contradicting that statement, and to assure those who felt concerned on the subject that the loss they had sustained arose entirely from the panic and trepidation which seized the public mind last year in the money market. So great was the feeling of doubt and suspicion in the metropolis that it was not to be wondered at that a firm like this should have suffered from the causes which affected other and older ones. They had, however, benefited much by the prudence of their managing directors, Messrs. Wormsley and Burdett, and the business they had purchased on advantageous terms, the high credit of that firm being well known in the city of London. The directors now given the shareholders a fair and intelligible balance-sheet, and a neat exposition of their affairs; and that was all that they could expect in a document of this nature. The managing directors said that they had not a more prosperous balance-sheet to present, and that they were fully aware of the interests which operated against the company in regard to the loss they had sustained, he submitted that that was all. Supposing, however, it had been much larger, they would not have been alarmed or intimidated, because they knew the stability in the company which would secure them against the effects of ill luck. The directors not only had made the arrangements to be made with Messrs. Wormsley and Burdett, but they had the business of the British Reversionary Company, which, under the present circumstances, would have cost the shareholders a great deal of money to procure; and a great portion of their capital had been expended. In the future they would all have their fair share of prosperity which it was hoped that good times might bring; and they earnestly hoped that when they next assembled they should

be able to meet their co-shareholders with more smiling faces and encouraging cheer than at the present moment.

A long discussion ensued, in the course of which certain of the holders took exception to the policy pursued by the directors in the chase of the business of Messrs. Wormsley and Burt, and of the British Reversionary Company, the amount described in the balance as having been paid for those businesses being £26,000.

The Chairman explained that the directors had acted under circumstances which they felt would be for the ultimate advantage of the company as regarded Messrs. Wormsley and Burt, the arrangement with them was made upon the understanding that in the event of the transaction realising the expectations of all parties a portion of the purchase should be returned, and Messrs. Wormsley and Burt had accordingly funded upwards of £11,000; so that the company was, in fact, placed in a comparatively easy position.

An amendment was then moved by Mr. Addison, and seconded by Mr. Zuccani, to the effect that the report be not received, and that a committee be appointed to inquire into the affairs of the company.

Upon this a further discussion took place: and it was contended, on the other things, that the board of directors required stronger assistance from gentlemen connected with the mercantile interests than they at present enjoyed. The directors having expressed their perfect willingness to step down from their position if requested to do so, or to strengthen their position in any manner that might appear most expedient, the amendment was ultimately withdrawn, and the report was received and adopted. The directors and auditors were then re-elected.

A vote of thanks was passed to Messrs. Wormsley and Burt for having attracted attention to the interests of the company, and to the chairman for the satisfactory manner in which he had discharged the duties of the day.

A question was raised as to whether the directors should be remunerated for their services, but it was agreed that this point should be deferred to the next meeting.

The meeting was then made special, for the purpose of making such practical alterations in the articles of association, including the passing of a resolution that it is advisable that each share of £50 with £5 thereon, shall be divided into two shares of £25 each, with £5 paid up on each share, and that the board be requested to take the requisite steps for the purpose, under article 9 of the articles of association. Resolutions to carry out these objects in view were agreed to, and the business terminated.

MERCANTILE AND EXCHANGE BANK.

THE second annual meeting of the shareholders of this bank was held on the 8th February, at the new offices, Castle-street, Liverpool; Mr. Forwood in the chair. Among the other gentlemen present were Mr. R. W. Ronald, Francis Boulton, Arnold Baruchson, Joseph Kitchen, P. Bowring, Wm. Lucas Merry, John T. Lawrence, and Charles Sainsbury, directors; Geo. M. Brown, general manager; William Brown, manager, Glasgow; George Haigh, solicitor to the company; and H. Banner, secretary to the company; and amongst other shareholders the following:—Lionel K. Ronald, John Bigham, A. P. MacEwen, R. S. Deane, J. S. Wm. McGill, Thomas Carey, J. Smethurst, J. W. S. May, John G.

. H. Syers, R. Nicholson, James Marshall, T. H. Bowen, J. A. Hall, A. C. Brown, Henry Thompson, William Kendall, Thos. Poole, R. H. Coddington, T. S. Todd, G. E. Taunton, Geo. Chamberlain, Geo. M'Corquodale, J. A. Joseph, J. H. Yates, W. T. Roper, R. Hemingway, J. Smythe, John Curtis, Wm. Hill, G. R. Black, Edward An, Andrew Pixton, C. F. Sise, Edward Young, John White, Dr. Edwards, Wm. Elam, H. F. Fenton, Thomas Appole, Ronald Bridgett, Thomas Callan, Thos. Holgate, Satterfield, John Palk Fox, Wm. Wardle, Hy. Dobson, Holmes, G. H. Wilkinson, Hy. Peploe Forwood, Robert aner, A. R. Strickland, T. Binks, T. Binks, jun., J. Oates, John King, P. H. Holzberg, W. L. Bankes, H. Hyatt, John erton, J. M. Wilson, Edward Burton, Henry Lovatt, and

said that before proceeding to the most important business he would just mention to them that the directors had the press to that meeting. They were aware that some of a similar kind, considering that their annual meetings of the shareholders who were partners in a common did not think it necessary to have reporters present, transactions were between the shareholders who were summoned to the meetings and the customers of the bank who had. The directors of that company, however, had never determined to have the press present. He thought it a wise measure, because they knew that on the wings of the word the report of that meeting would be carried to the most distant parts of the country, and might be read in every commercial kingdom: and he must say of the press generally in London might be an exception—that they were at all times ready to encourage every local enterprise, and to promote the best particular institutions of which that company formed

of the Chairman, Mr. Brown read the notice convening the proceedings of the previous general meeting of the bank, which had been confirmed, and the seal of the company affixed by the proprietors, the following report of the directors was read, and the accounts being taken as read:—

The directors beg to annex a balance-sheet of the bank's operations for the year ending 31st December, 1864. The period over which this has been marked by an intense monetary pressure, and the value of the great staple articles of import, so rapid an increase on occasion numerous mercantile failures here, in London, and several of the customers, suffering heavily from these, upon the bank considerable loss, which was increased by the transactions of the late London manager, and further aggravated at a period when financial pressure was most intense, and sudden and unexpected difficulties in the way of the bank's business of a very harassing and trying character. Happily these difficulties were surmounted, and that without resorting to the proprietors during the crisis. The gross earnings of the bank for the year ending 31st December, 1864, were £35,108. 15s. 9d., showing a satisfactory increase. On the directors regret that, from the causes already referred

Profit and loss account, 30th June, 1864	£5 19 3
... ..	68,595 11 4
At December, 1864	35,108 15 9
... ..	31,337 13 5

£135,047 19 9

RESERVE FUND ACCOUNT.

Added to profit and loss account...	£68,595 11 4
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£68,595 11 4

Balance, 1864 ...	£43,890 11 4
From London bank of Scotland	21,945 0 0
And on new shares	2,760 0 0

£68,595 11 5

He then said it was his business to move that the report just with the statement of accounts, be confirmed and adopted. So he thought he need scarcely assure the shareholders was a painful duty which the directors had in hand to him any report which did not show a profitable working of the period it embraced, but rather the reverse. It was more unsatisfactory to the shareholders than it was to the directors. The wish and desire and anxiety of the directors for the shareholders and for themselves a profit which was successful in doing for the last half-year, and it was to great regret. In starting a new bank the directors, in other parties, had had something to learn, and they had to. The trade had not been so satisfactory as could have the report embraced the transactions of the bank from the and they would be aware that their next balance-sheet annual meeting, and would close up to the 31st December. thought that it was correct that they should consider the bank in reference to the whole of the work of the past year—working of the half-year embraced in that report, then at the end of 1864. Looking at it in that point of view, they that on the 19th August they met them with a statement of the half-year ending 30th June was £16,772. He told calculating on the profits which that bank had earned, bank of Scotland had to pay them a bonus for a certain of £40,000. Another contingency arose from the amalgamation gave them another £10,000 on their premiums, so that the to £50,000. That bonus was distributed among the the 20th of August, when the shareholders had divided the profits of that half-year, the £16,672 and the £50,000 the Scotland bank. At that time the directors were also off the whole of the preliminary expenses left in the ending to £3,745, so that in fact the amount of £70,000 had the bank. They then came to the position of affairs for year, and they found that the gross earnings of the bank up to number were £35,108. 15s. 9d. If they deducted the expenses, to £12,960, and the rebate on bills not due, at 6 per cent.,

£3,604, they would see that the annual working of the bank for the half year, after deducting all the debts, was £18,544. The net earning amounted to £85,216. They had to set against that for the present half year an amount of bad debts, according to the balance-sheet, amounting to £88,000. So that the bad debts written off rather exceeded the amount of profit. Proceeding through the report just read, he had to make a few observations on it as well as on the balance-sheet. The directors stated that the period over which the report extended had been marked by an intense monetary pressure. Every one knew that that pressure had been a very severe one. It had been more than usually severe. The average rate of the Bank of England for the last year was equal to $7\frac{1}{2}$ per cent. and for the half-year over which their trading had not been quite so prosperous as they could have wished, the average rate had been very nearly within a fraction of 8 per cent. When they started that bank in 1863 the average rate for that year was only $4\frac{1}{2}$, and during the year of crisis, 1857, which brought down many commercial houses, and caused a great disaster in the country, the average rate of interest was only 7 per cent., so that they had had a higher rate of interest for the last half-year than during that period of most severe pressure. They were aware that it had been stated from that chair that the directors of that bank did not suppose that a high rate of interest was conducive to the progress of local banks. In that respect they differed from the London banks, where they got very large deposits at low rates, and therefore the high rate of interest at which they lent out their money was very good for the purpose of dividends. But high rates of interest in local banks, where enterprise was strong, gradually diminished the means of their customers, for taking 5 per cent. as the normal rate, they would have in addition to that 3 per cent., which would be a very serious reduction from the profits of every man who traded in that country. Then the pressure had been particularly oppressive in those directions where they had opened up their banking operations. It had affected most peculiarly the produce market. To that they had made special reference, and they thought in regard to Liverpool, London, and Glasgow, it would be obvious to every man who had been in trade that the produce markets there had been most seriously affected by the pressure. Take, for instance, one article in which the customers of that bank had had considerable dealings—sugar. On the 15th June the average price of two particular classes of sugar—Manilla and Brazil—was 28s. 6d.; on the 15th October it had fallen from 28s. 6d., as the medium price, down to 18s. 6d., or a loss of 10s. per ton. The stock in Liverpool in October was 15,000 tons, the stock in the country being no less than 226,000 tons. They must be aware how seriously that would have affected all importations of sugar. Then, again, let them take three descriptions of cotton—Bengal, China, and American. On the 15th July it was 22d.; on the 15th October it was only $14\frac{1}{2}$ d., or an average decline of $7\frac{1}{2}$ d. per lb. Egyptian cotton, which was also dealt in by some of their customers, declined in the same period from 29d. to 18d. a lb. The stock in Liverpool at the time was 112,000 bales. Again, let them take the price of grain in October, 1863, and October, 1864. They would find there had been a decline of from 10s. to 11s. They all knew the immense value of the grain trade, and the immense stock that was held to their account, and they could therefore judge how far trading in that article might have been unsatisfactory. Without going further into details, they would all see it had been a very exceptional

parties who traded in Liverpool and the seaports. They much pain and reluctance that the directors had to the unfortunate death, and the cause of it, of their London manager, Williams committed suicide on the 18th of October, and they please to refer to the state of the money market on that occasion. They could see that previous to that time the intense monetary depression had produced a revulsion in all produce, and that though the interest was 5 per cent., it was very difficult for commercial men to keep their money. It did not therefore need any extraneous difficulties to the directors. Unfortunately at that time they had to meet the extra expense of the suicide of their London manager. To tell them of the personal trials of each of the directors to carry the bank through that occasion—to tell them what effect that suicide had on all the credit which with great effort they had opened up on the continent and tell them how that event was made use of by parties inimical to that bank—to tell them how the channels of traffic were closed on the continent, but at home—to tell them how it affected the directors and shareholders, he should have to go through a great deal to elicit for the directors every sympathy at their hands. The removal was a severe one. The removal instantly on the news of that suicide of the valuable business which they were carrying on in London and Glasgow was a matter which he need not say was very rapid. The removal of their deposit account and the difficulties which the directors had to undergo. He had on deposit account just within a month of that time was reduced to 5 per cent., and on the current balance of 50 per cent. It was a great difficulty as those that the directors had to bring that through that resorting to making a call upon them, the directors would not resist their pressure; and the question was, whether they should resist their own. They were happy to say that they had brought the bank through all those difficulties, and they hoped they were entering for that period of prosperity which, with the assistance of the directors, he was sure they would yet attain. (Applause.) There was added another difficulty, about which they would want to say they were perfectly aware that the directors had made arrangements to amalgamate their bank with the London Bank of Scotland. It had been expected that as they had paid their bonus, and not against the reserve fund, the directors would have done so particularly after the last half-yearly meeting, to have made arrangements. But the suicide of their manager was a great difficulty, and the directors of the London Bank of Scotland before completing that arrangement. The result was, a little controversy and some little contesting of their part by the directors of the Mercantile and Exchange Bank. The satisfaction of the London Bank of Scotland, that the manager should himself go over the London accounts of the bank, and also the Liverpool accounts and the Glasgow accounts in the manner he chose, and satisfy himself as to the position of the bank. He showed, at all events, the opinion which the directors held of their trading. He was happy to say that after the audit of the bank if he might so call it, carried out by gentlemen who were interested in the interests of their shareholders that they should not enter into any risk to which any risk might be attached, they had come to a decision to carry out that amalgamation as speedily as possible.

That must be satisfactory to the shareholders. It would also be another of the difficulties that circumstance had thrown in their way. He was happy to say to them that, although he had occasion just now to the removal of deposit and current accounts, the confidence in the bank was happily returning; that the number of their accounts was in fact that in one item alone they had a very large increase from November to June; the amount of one of those items was just double in January than it was in November. They were also continually adding valuable additions to their bank, so that by the energy of the directors and their confidence in the bank they were bringing back that confidence which had been rudely shaken. It might be well for him to say, because they had been asked within the last few days, that with regard to the appointment of Mr. Williams to the post of London manager, he was a perfect stranger before his appointment, both to the directors in Liverpool and in London. They advertised for a manager in London before his appointment, and they had many applications, but Mr. Williams was selected. He had self-made personal inquiries in conjunction with their Liverpool directors about him at other banks where he had served for many years, and they found a good character for him as to his capabilities and his capacity for managing the bank, and it was upon the strength of that that they placed over the bank in London. He might say that the London directors were continually informing them that they believed Mr. Williams was a very efficient man, that he was very zealous in his duties, and that he was prepared, at great personal sacrifice, to meet every requirement. Immediately their London colleagues heard of Mr. Williams's death, they communicated with them by telegram, to the effect that upon an investigation of the accounts and securities, they believed the affairs of the bank were not seriously affected by his death. That their London directors had paid attention to the business of the bank they fully believed. That the communication was made known on the Stock Exchange on the 10th of October, and the London directors believed, until circumstances showed that such would be the position of affairs. Unfortunately it did not turn out that, although he had not actually taken the money of the bank out of the till, yet by a system of adroit bookkeeping, he had disguised several of his losses by means of his entries, which when they came to be sifted and examined, did not represent the facts, and did not, in some cases, represent the particulars mentioned. (Hear.) But there was no possibility of their detecting that at the time. They traced their heaviest loss to that circumstance, and their London directors told them that not one-third of the London losses could be ascribed to the ordinary trading; the rest must be traced to the most improper transactions of the late London manager. However, they were happy to say that they now knew the worst of the matter.

A Shareholder—What's the amount? (Hear.)

The Chairman—The amount to be wiped off for bad debts was a fraction of £50,000, not more than a third of which the London directors said was attributable to the ordinary trading business of the bank, the remainder being attributable to the late London manager. It was a very difficult, no doubt, for the London board to say precisely what had been the sum, but in judging of that they must remember that the London directors had the losses on account, as the directors said, of the difficulties connected with the rate of interest they had to pay arising from the same circumstance. The £18,000 profits would probably have been largely swallowed up by their trading—

A Shareholder—Was there no security with the manager?

—We had securities, for which, of course, the sureties are a certain security which was considered by the directors sufficient for the manager to give. We have that to come

—Have those securities been realised as against this the London loss was £50,000, do you hold any security-amount, or have they been realised; or is it an absolute

—It is an absolute loss, written off in the account of debts.

—That is, included in the £88,000 of bad debts.

—Yes. He did not know that he need trouble them with variations on the report, nor had he very much to say in balance-sheet, but he thought it was due to the shareholders explanation should be made by him. For instance, it that he should explain the large item of £12,960. 11s. 7d. in reference to that item he had first of all to state that it of management, and all expenses of that description, rent, and charges connected with the London branch and such, as well as the head offices and some small expenses their foreign agencies. So that these were the expenses banks. He need not go through the whole of the items are, but he might say that it embraced an increase in the which for the last half-year amounted to £448. That sum thought was very moderate, although it largely swelled the previous half-year. The law costs for the previous £100. Then there was an item of £270 for travelling another of £219 for the auditing, which had been most The largest increase in that item of £12,000 arose from ss. In the previous half-year the amount debited to rent the present half-year the amount of rent and taxes was ss upon the three branches. It arose from this circumstance debited the bank with an amount of rent for the bank in the opinion of the surveyor it would let for in the ordinants. That would be the course they should follow in future. led the amount of charges, there was a set-off in that respect. the profits of the bank an interest of 5 per cent. on the cost of ses. It would be satisfactory to them to know that ank premises at 5 per cent., and putting the rent of the debit, there would be a profit to the bank of £1,100 at year; and that item of rent would be still further ey had let some other portions of the premises, for which get a good rent. The salaries for the three branches £70, and he must not forget the branch office in Bury was a large item for stationery and advertising, amounting irectors' fees were set down at £1,000, and he could only of himself and his colleagues, that if the shareholders umeration too great for the trouble they had had, they ly return it. (Applause.) He did not know that there m in the balance-sheet that required to be brought under ice. He wished to correct some ideas that were preard to their opening a foreign exchange business—that s in exchange; and, in fact, that it brought them into interfered with dealers of exchange in London. That

was a very wrong notion. The object of their foreign agency enable parties to obtain the same facilities for buying and selling continental bills as they could get in London. (Hear, hear.) been a source of profit to them to a large extent, and no source of loss. He should be very sorry indeed if it went abroad that their company were resorting to novel measures for the purpose of making a profit out of them. That bank was now in connection with some of the best banks in Europe; they received information every day which they had to act on at considerable cost and pains, and would prove very profitable to the shareholders. (Hear.) They had proceeded with their New York business with every care and precaution. It had been worked properly, there had been one or two bad bills in connection with it, but they were from bad produce. They were included in the £88,000 placed on the debit. After bearing his testimony to the efficient manner in which the Glasgow managers did their duty, the chairman said he believed the bank remained very much with the shareholders to do their part in order to get the bank to attain that position they all desired and expected it to have reached. After explaining that the directors thought it right to place on the debit side a sum of £30,000 to meet contingencies, he concluded by complimenting the directors and the auditors on the excellent manner in which they had discharged their duties.

A Shareholder asked whether a continuous audit was made, or a periodic audit.

The Chairman replied that it was a continuous audit, in the sense in which a bank account could be so audited.

Mr. Roland, a director, having seconded the adoption of the resolution, moved for accounts,

Mr. Binks (Birkenhead) asked whether the £30,000 was the cost of one individual account or several accounts.

The Chairman replied upon the whole accounts of the three banks. As to justice to Glasgow he thought he should say that he did not think it had to put down a single contingency.

Mr. Binks said it appeared to him to be somewhat similar to other accounts of the Alliance Bank, and it would be satisfactory to know the prospects of the shareholders might be in that account.

The Chairman.—I think we have twenty or thirty accounts, some large and some small.

A Shareholder.—How often do the London board of directors meet? What guarantee have we that the things which have happened in London will not occur again? Who is responsible in London for the conduct of the bank there now?

Dr. Smythe.—How is the loss of the reserve to be made up? (Laughter.)

The Chairman said the London board was presided over by the directors, who were all of them daily attendants. Then they had a manager acting under them *pro tem.* in the interests of that bank as soon as the arrangements of the London Bank of Scotland were completed they should have to appoint an agent to the London office. With regard to the reserve fund, they hoped to make it up by the profits. (Laughter.)

Dr. Smythe.—That's a pathological remark.

Mr. Bigham believed the bank to be in a perfectly sound state, ready to go on and prosper. Still there was a great deal to regret in the past, and much to blame. He thought the deed of association

a way as to prove acceptable to the shareholders, and that the lawyers who drew it up would say that it contained clauses which ought to be erased, and many which ought to be added. He hoped the directors would make the deed more in accordance with the deeds of old companies in that town. In no deed of old and provincial banks would they find such clauses as were in the deeds of the new companies. One of the clauses in the deed was to the effect that the directors should be entitled to take a salary of £4,000 per annum—for remuneration without asking the shareholders. He was sure that that was not a good thing. (Hear, hear.) It would be more pleasant to the directors than to allow the directors to take. It would not have that clause altered, and there were others of a kind that could be revised. He did not see any reason to object to the amount taken by the directors as remuneration for the services they would put it to them whether, under the present circumstances, it would be politic for them to take it. He wished to know if the London directors had retained their share of the £4,000, and if they were prepared to make the same offer the Liverpool

Their fees are not included in the £1,000.

It was a matter of taste on their part, but he thought it would be politic for them to take any remuneration. He could not say in the past six months some persons connected with the "ring" had been buying the shares on the Stock Exchange. So long as there was a speculation behind the scenes, and made use of it in disservice to the bank could not prosper. He thought the prospects of the bank were as good as any in the town, and that under the prudent management of their chairman they should attain that position in the future.

He wanted to know how much of the £2,009,468. 8s. 11d., was in the bank, exchange, current and on hand, loans to customers, and what was in the form of negotiable securities.

That in the reserve fund account there was credited the amount received from the London Bank of Scotland; and from the report he saw that the amalgamation had not taken place. The profit and loss on the capital account were really set off against the £21,000 that had been lost to the capital, and £21,000 which was in the reserved fund account.

He said that perhaps it would be saving time if he said that £21,000 was to be taken from the reserve fund from the London Bank of Scotland, and whatever might be their position in the reserve fund which they had from that bank in respect to which they had consented. They believed the London Bank of Scotland would carry out the amalgamation, but he was not sure the money was in their hands.

He asked the amalgamation does not take place that money would be paid back again?

No.

Does it not make that £31,000 into £52,000?

He replied in the negative. They had that money in the hands of the directors had rightly placed it to their credit. These were the directors would ask the shareholders in their own interest to do so. They had no reason to suppose that the amalgama-

tion would go off. The bank had placed in their hands *sec* amount of £71,000.

Mr. Kendall asked the chairman whether the directors had to suppose that they had realised the extent of the losses *ca* Williams.

Mr. Bigham wished to know if the directors had any intention a call. (Hear.)

Mr. Thomson pointed out the desirability of that bank having the London clearing-house.

Mr. McQueen said that although he came to the meeting with pleasure and pain, he should, after the very lucid statement of the leave the room with feelings of great satisfaction.

The Chairman, in reply to Mr. Bigham, said the alteration of association could not be effected without some difficulty. As to the remuneration, he would prefer that the shareholders should exactly what charge was made by the directors, so that they could put their minds upon it. In answer to Mr. Moss he said there were negotiable bills in the £2,009,468. He believed the directors to the utmost of the losses caused by Mr. Williams. With regard to the of a call, no such subject had been before the board at all. With to the suggestion made by Mr. Thomson, he said the board would be glad if they could make any arrangements by which they could leave the London clearing-house.

The report and statement of accounts were then carried and the motions.

Mr. Nicholson, in proposing the re-election of Mr. W. L. Baruchson, and Mr. Ronald, to the board of directors, said that there were any persons connected with the bank who were "bears" they were got rid of them the better.

Mr. Baruchson said that since June last he held 100 shares at 100 at 10s, and he had never sold them, neither did he intend to do he could get the same amount of premium.

The Chairman assured the shareholders that the practice of association had been made by Mr. Nicholson and Mr. Bigham was on the board, and they should most rigorously deal with the case as it came under their notice.

The motion was then carried, and Messrs. Banner, McCorr, Hickie having been appointed auditors, votes of thanks were given to the chairman and board of directors, and to the auditors and the proceedings terminated.

LIVERPOOL FINANCIAL ASSOCIATION.

THE first general meeting of this association was held on the 9th in the rooms of the Law Association, Cook Street; William T. Esq., chairman, presiding. There was a large attendance of members.

The Chairman said they could not call that the annual meeting of the association, because it was not twelve months in existence; but the first general meeting of the proprietors, he begged to say with pleasure, and he had no doubt that of the other directors, at the shareholders personally for the first time.

Mr. P. B. McQuie having read the notice calling the meeting and the report of the directors as follows :—

of the Liverpool Financial Association, Limited, in pre-
half-yearly balance-sheet, congratulate their shareholders
which has attended the operations of the company from
of its business to the 31st of December, 1864. During
ve steadily kept in view the objects for which the com-
d, as set forth in the prospectus, and have to report
eral large blocks of freehold and leasehold property, in
ing localities in the town, which will eventually prove
rable profit, and even now yield a fair return in their
d condition. The directors have every reason to believe
ne properties purchased may be fairly estimated, in the
ount considerably greater than that paid for them, and
a large but not divisible profit has accrued to the
to the only source of profit has been from the tempo-
the paid-up capital. Some of the properties purchased
in cash; and advantageous terms have been secured
that the completion of the purchase shall extend over
nd the purchase-money remain at a low rate of interest.
-sheet, therefore, affords no complete indication of the
association, which time and opportunity can alone
directors have pleasure in announcing that they believe
hold to be in every way sound. Hereafter it may be
end the operations of the association without having
nd the directors are prepared to receive deposits for
es of interest to be agreed upon, and to issue debent-
ly coupons attached, constituting a first charge upon
company. It will be seen by the accounts sent here-
ent economy, consistent with judicious management,
in the administration of the company's affairs: and
of the company have not been extended by means of
ations of a similar character, which in time of panic
imental to financial and other monetary institutions.
profit and loss account, and securities have been sub-
ny of the auditors, and their certificate and report are
ayment of current expenses, rent, salaries, directors'
ng off a fair proportion of the preliminary expenses,
ance of £3,426. 6s. 3d. at the credit of profit and loss
h the directors recommend a return to the shareholders
free of income-tax, being an amount equal to 6 per
in the paid up capital of the company for the half-
December, 1864, leaving a balance of £893. 2s. 2d.,
of the board, has been transferred to the credit of
ints, viz.:—Reserved fund (as provided by article
2d.; and contingent fund (to be dealt with at a future
ne retiring directors are Messrs. Arnold Baruchson and
eligible for re-election."

Balance-sheet, made up to December 31st, 1864.

ABSTRACT.

—Nominal capital, 25,000 shares of £20
of which 19,750 shares have been issued,
per share has been called up £95,750 0 0

Deduct arrears of call on 31st December, 1864 on account of
1st call £165; on account of 2nd call due 21st January,
1865, £29,079; calls on 25 shares, Nos. 16,483 to 16,512,
forfeited by resolution of the board dated 3rd November
£87. 10s. 29,

Creditors—For balance owing in respect of properties pur-
chased 69,
Shareholders—For calls in advance with interest to date ... 67,
Sundries—For rates, taxes, and sundry accounts ... 1,
Unclaimed allotment deposit
Reserved fund—Amount transferred to credit of this fund as
provided by article No. 24
Contingent fund—Amount transferred to credit of this fund
to meet contingencies
Profit and loss account—Balance available for dividend ... 2,
Rebate of interest on current loans

£142,2

Cr.

Property and assets—Freehold estates £76,6
Leasehold estates 6,2

Office furniture and fixtures £82,
Debtors—For loans on various securities 24,2
Sundries—For rents, interest, &c. 6
Preliminary expenses £1,895. 10s. 6d.; less proportion written
off £379. 2s. 1d. 18
Cash in Mercantile and Exchange and North and South Wales
Banks 32,9
Disputed charges
Cash in hands of manager

£142,5

*Profit and Loss Account, for the Half-year ending the 31st day of December.**Dr.*

Current expenses: salaries, directors' fees, &c. £1,0
Balance 3,8

£4,8

Proportion of preliminary expenses written off as per resolu-
tion of the board, 12th January, 1865 (one fifth of
£1,895. 10s. 6d.) £3
Transfers to credit of reserved fund account 1
Do. do. contingent fund account... .. 7
Balance 2,5

£3,8

profit and loss account, 31st December, 1864	4,892	12	7
	<u>£4,892</u>	<u>12</u>	<u>7</u>
	<u>£3,805</u>	<u>8</u>	<u>4</u>
	<u>£3,805</u>	<u>8</u>	<u>4</u>
... ..	2,533	4	1
... ..	63	6	7
	<u>£2,469</u>	<u>17</u>	<u>6</u>

... moving the adoption of the report, said that financial ... taken a very prominent, and, he believed, a high and ... this country within the last few years, and some of ... great noise in the world. The dividend now proposed ... perhaps, a very small thing in comparison with what ... London and other places. But they felt this satisfaction, ... accounts were *bond fide* and genuine, and as sound as ... making that ever was placed before any body of share- ... ear, and applause.) The accounts were necessarily ... cause a financial association had to be conducted with ... e, consideration, and judgment, which was not always ... undertaking of a joint-stock nature. Although there ... air transactions, they were necessarily, to some extent, ... them and the parties with whom they dealt. (Hear ... , would be happy to give any explanation that might ... report spoke of freehold property purchased by the ... a they considered they had already, though it was not ... out of profit that might have gone to the credit of ... have been distributed in the shape of dividend or ... propriators; but they were aware that large blocks of ... to be dealt with with great judgment and great care, ... considerable amount of patience before they could be de- ... He might say for their information that, of two ... erty which they had purchased, they were not, in re- ... n, out of funds more than about £6,000. The re- ... ase-money was to be paid by instalments, and it was ... cent. interest; while they were realising on that ... ove £1,000 per annum clear profit. (Applause.) ... nsiderably larger amount of profit when they reno- ... ibly had declined offers, to the extent of a considerable ... eady for it, and they had parties now negotiating for ... it; but at present it was left in *statu quo*. In ... ck of freehold property which they had purchased, ... ld have to pay a large amount, he and the other ... rd, with one exception, had not had a moment's un- ... One member of the board did take an exception to ... ng it an incubus upon the association, and the cause ... g in the Stock Market at a considerable discount. ... ancaster-buildings, in reference to which it had been

stated out of doors that the property might have been had at a much less sum than was paid for it; but they made the purchase after great deliberation and consideration, after looking all the difficulties in the matter and with their eyes open. There were, no doubt, some difficulties in the property—there were some leases, and the Corporation wanted to get front of it; but if they had patience he thought that before next month they would have to congratulate them on something handsome realised from that property. (Hear, hear.) Its position would be that it was and most eligible in Liverpool; and if they did not use it for their own purposes, they would have plenty of candidates for it. (Hear, hear.) As to the price, he understood that for property in Castle Street it was 50 per cent. more had been paid within the last month than they had paid for the Lancaster-buildings, so that he thought it was not at all a bad purchase. (Applause.) Another source of profit to the association had not yet been called into exercise; that was the loans on debentures. It had been more like an ordinary loan association than anything else. They had not pressed very hard upon the proprietors; they had made their calls by degrees; and when the money market was at a very high rate, and they thought it would not suit the pockets of the shareholders to pay up a call, they had had some consideration for the majority of them and did not make the call. With nearly £100,000 capital put up they could look the public in the face; and if they (the public) chose to give their money to the association, and get its debentures, they could have with the satisfaction that it was a safe investment for the public, and could be turned to good account for the shareholders. (Hear.) The profits of the association so far, amounted to something between ten and twelve per cent., but, of course, in the formation of an infant institution like that, the expenses were considerably more than they would be after. The amount of £1,800 for the promotion of the preliminary expenses was not, perhaps, more than could be expected for a concern of that kind; but they had thought it well to throw that over five years. The articles of association provided for a reserved fund, and also a contingency fund, to which they placed the balance, after deducting the dividend of 2s. 6d. per share, which they proposed now to pay. They could not touch the reserved fund until it reached £50,000; but the contingent fund was one upon which they could operate at any general meeting. He concluded by moving the adoption of the report and accounts.

Mr. C. T. Bowring, vice-president, in seconding the resolution, congratulated the shareholders on the position in which the association stood. The shareholders would be very glad to learn what the chairman had told them; and the best idea that he (Mr. Bowring) could give was the confidence which the directors had in the stability of the concern was the increasing interest which they took in it. The directors began with a small amount of stock in their own names of about 1,750 shares, and they had now held nearly 2,600 shares amongst them (applause), showing that they themselves were interested in the beneficial working of that institution to a far greater extent than they were in the first instance; and that, instead of losing faith in the concern, they, as it went on, gained confidence in the idea that it was going to be a very profitable and excellent institution to this town, in supplying a want which had been long felt in Liverpool. (Applause.) He was not aware that there was the slightest intention at the present time, to increase the call to any extent whatever. Perhaps the call might never be increased; but all he could say at present was that he

on the part of the directors to propose to the shareholders the stock of the association. Up to the present time not a of any kind—by acceptance or otherwise—had been in the purchase of the properties referred to by the chair—and not a single loss had been incurred in the course of transactions of the period during which they had been in (hear, hear.) He thought that must be very satisfactory and at the troublous times which they had gone through. were blamed for anything at all it would be for erring on ence. The directors had really and *bonâ fide* been offered upon some of their purchases. (Applause.) That offer ken, because they looked for better things in the future, ty remained as a source, he hoped, of profit for future

asked what was the original cost of the property on which ferred a profit of £5,000.

He said the property would cost about £31,000, but the g to the profit they would realise upon it. They might they had some good property, which would give them a ere long. The accounts as they were made up contained *bonâ fide* realised profit; and they took no credit for an- f any kind.

A shareholder, the chairman stated that the value of their £2,924. 14s. 9d., and £1,686 had been paid for calls in interest.

Lieut. Colonel M'Corquodale, the chairman said there were did not wish the particular property named from which 000 a year, but any shareholder would get the informa- at the office.

was then adopted.

On the part of the chairman, seconded by Colonel Mawdsley, Mr. Mr. Beloe, the retiring directors, were re-elected.

and they had embarked in a business which many of them table—that of buying up old buildings, renovating, and and his conviction was that the future of this institution d prosperity.

He also expressed his confidence in the success of the

inquired whether it was the feeling of the directors that a ld be made this year.

He said, if they saw it would be for the interest of the associ- another call, he would not like the hands of the directors mise not to do so—(hear, hear)—but they had no call in present.

Mr. Hall said he had resigned from the directorate simply be- sufficient time to attend to the duties of that office, and nt of confidence in the institution. He believed it to be growth and great prosperity. They saw from its great scope would be. They saw elegant blocks of buildings rpool—Brown's-buildings and others. It required very capital to erect such buildings, which yielded, he believed, r cent. The object of that association was to enable men small means to unite those means together in the acquisi- in commanding situations, and which could be improved

or re-erected, and rendered most profitable. (Hear, hear.) The increase of commerce of Liverpool and the increasing value of the buildings year by year, in the vicinity of the Exchange, rendered that town a field in which they could hardly fail to realize a great profit. The issue of negotiable debentures would also be of much value to those who deposited their money with the association, besides being a means of profit to the shareholders. They must not be afraid of calls if they intended to command public confidence and become a strong institution. (Hear, hear.) They must have something solid to back the debentures, if they were to issue them. (Applause.)

At the request of the meeting Mr. Hall withdrew his resignation as a director.

On the motion of the chairman, seconded by Mr. John Hedley, Messrs. W. Chalmers and Mr. A. C. Boreham were appointed auditors.

It having been at this point suggested that they had not declared a dividend,

The Chairman moved, and Mr. Bowring seconded, the declaration of a dividend of 2s. 6d. per share, free of income tax.

A vote of thanks having been passed to Mr. McQuie, secretary, and a similar compliment having been paid to the chairman, the meeting separated.

CREDIT FONCIER OF MAURITIUS, LIMITED.

THE first ordinary meeting of the shareholders in this company was held on the 9th February, at the London Tavern; Sir L. Grant presiding in the chair.

The following report of the directors was read:—

"The Directors, in presenting their first annual report and balance sheet to the shareholders, beg to state that the meeting has been fixed for the 10th day, in conformity with the articles of association, which prescribe that the first general meeting shall be held within one year from the registration of the company. The articles also prescribe that the accounts presented to the meeting shall be made up to the 31st of December. Owing to the distance from Mauritius, complete accounts to the 31st of December last only have been forwarded by the local board. A preliminary statement, however, has been received, showing the payments to be made in Mauritius between the 15th and 31st December; and, as this statement merely embraces items for further loans agreed for and fixed to be repaid by the borrowers before the end of the year, and for the salaries to employees and office rent due at the same period, there can be no practical objection to introducing these items into the statement presented to the meeting. This course has, therefore, been adopted, with a view to conform, as far as practicable, to the conditions prescribed by the deed, and to show to the shareholders the full amount of transactions reported by the local board up to the end of the year. The directors propose that the next annual meetings shall be held in the month of March or April, so as to allow sufficient time for the accounts to the 31st of December to be received and prepared for presentation to the meeting. It will be in the recollection of the shareholders that this company was incorporated on the 10th February last; it necessarily took some time to organize the establishment in Mauritius, and to place funds there; and, with a view to commence operations; further delay was also inevitable on account of the time required for the investigation of title-deeds, and the

of the properties offered as security for loans. The company in the island consequently only commenced in July last—embracing, to the end of the year, a period of six months. During that period loans have been made, up to the amount of £126,640; in addition to the amount the board had granted, and arranged to pay, between the 15th of December, other loans to the amount of £24,900; making £151,540; from which, deducting the amounts repaid by instalments of loans outstanding on the 31st December bearing interest at 6 per cent, £1,754. 5s. By the rules laid down for the guidance of the directors, which have been strictly carried out by them, all loans are secured by mortgage of real property, and are restricted to one-half the carefully appraised value of the property mortgaged in the colony. The title-deeds are carefully examined by the legal company, and the company's lien on the property advanced in cases, duly registered in the government mortgage register in the colony, and an official certificate of the non-existence of any other mortgage is required before the money is paid. The loans are repaid all based upon the principle of gradual repayment by instalments half-yearly in advance. Interest is also payable twice a year. The directors congratulate the shareholders on having for their business in the colony, a board consisting of gentlemen of standing and great local experience, who have zealously devoted their best attention to the interests of the company, and, under the presidency of the Hon. C. Antelme, have conducted your business in the most satisfactory manner. The accounts now submitted show a gross profit, to the 31st December, of £9,043. 13s. 3d., deducting expenses of management in London and Mauritius, interest on current charges, and writing £500 off preliminary expenses, £7. 10s. 7d., leaves an available surplus of £5,196. 2s. 8d., which, after a dividend of 6s. a share, being at the rate of a little more than 10 per cent per annum upon the capital called up, from the respective calls became due; and to leave the sum of £2,196. 2s. 8d. in reserve for credit of new account. The directors accordingly propose at the meeting, to declare the above dividend. Applying the majority appear to be of a very eligible character, and the amount of £800,000, had been presented to the directors at the date of the last advices. This fact will show the extent of the ample field which the company has before it. The inadequate amount of debenture capital at a rate of interest higher than the ordinary English rates, is all that is required to meet the increasing dividends; and the rate of interest here having been reduced of unusual pressure, become more moderate, there is now every prospect of satisfactory progress towards the attainment of this object.

Balance-sheet, 31st day of December, 1864.

CAPITAL AND LIABILITIES.

Amount authorised and issued 10,000 shares of £500,000; amount called up £10 per share on 10,000 shares, paid up £99,100; amount due, £5 per share on 10,000 shares, £900	...	...	...	...	£100,000	0	0
Debentures bearing interest at 6 per cent £1,270; amount £50,000; sundry accounts £780. 13s. 7d.	...	...	...	...	52,050	13	7
Balance as per annexed account	...	...	...	...	5,196	2	8
					<hr/>		
					£157,246	16	8

PROPERTY AND ASSETS.

<i>Cr.</i>	
Investments—on mortgages at Mauritius, upon which interest is accruing £150,754. 5s.; less amount not yet paid over £2,522. 7s. 4d.	£148,231
Cash—at banker's and in hand, London and Mauritius	2,706
Office furniture do,	356
Amount due on calls	900
Total property and assets	£152,193
Preliminary expenses £5,551. 1s. 9d.; less amount written off £500	5,051
Commission and brokerage £2,500; legal charges £500; advertising expenses £687. 16s. 9d.; stationery, travelling and sundries £656. 15s. 1d.; management charges to 30th June, 1864, according to clause 111 of the Articles of Association £1,206. 9s. 11d.	
	£157,244

Profit and Loss Account, from 30th June to 31st December, 1864.

<i>Dr.</i>	
Expenditure—London—directors' fees £500; salaries £348. 16s. 8d.; stationery &c. £321. 6s. 4d.; rent, rates, taxes, &c., £156. 10s.; law charges £50 petty expenses £30. 3s. 7d.	£1,400
Mauritius—salaries £1,144. 5s. 2d.; stationery, &c. £149. 3s. 2d.; rent £96; petty charges £34. 17s. 3d.	1,422
Commission...	26
Exchange ...	25
Proportion of preliminary expenses	500
Balance	£3,845. 19s.
	£9,044
Proposed dividend of 6s. per share on 10,000 shares	£3,000
Proposed balance to be carried to next account	2,190
	£5,190
<i>Cr.</i>	
Income—London—interest account £1,019. 13s. 8d.; transfer fees £23. 7s. 6d.; amount received on shares forfeited £90	£1,133
Mauritius—Interest account £6,893. 10s. 2d.; management fees £1,017. 1s. 11d.	7,910
	£9,043
Balance brought down	£5,190
	£5,190

"To supply an omission in the working of the articles of association of the company, and to fulfil what was always the object of these articles."

will be proposed to the meeting to add to the 103rd article words: 'Provided that no money of the company be employed in the purchase of shares of the company.' By their articles of association, the borrowing powers of the company are limited to the aggregate amount of obligations outstanding not exceeding the aggregate amount invested) may be exercised on account not exceeding four times the subscribed capital. The directors are of opinion that the restriction of this limit to an amount equal to the subscribed capital for the time being would be an improvement in the constitution of this company. It would give to the debenture-holder a double security, both an English and a colonial security; first, the security of the unpaid-up capital of the company; and secondly, the security of the properties, on the security of which the money has been invested. The directors will propose a resolution to amend the articles of association to the above effect.

Turquand, Youngs and Company, having, in consequence of articles of association, been appointed by the board the managing directors of the company until the first general meeting, it now remains for the meeting to elect an auditor or auditors to act until the next general meeting, to be held in 1866. The board recommending that the same gentlemen be re-appointed."

Mr. Youngs, in moving that the report be received and adopted, said he had endeavoured to make both the report and balance-sheet as intelligible as possible, so that on reading them each shareholder should be in a position to understand the company's affairs. In drawing them up he had adopted rather a shareholder's than a manager's view of the company's affairs. The shareholders were, no doubt, aware of the origin of the company, as it had been brought out exactly one year ago, under the name of the Mortgage Bank of India, to do in Mauritius exactly what the Mortgage Bank of India had done in India. The position of the company to which he referred, the eminent position which it had attained, the fact that he had both bad and good to communicate to the meeting, that he would speak of the bad first. He (the chairman) would then tell this meeting, and would follow the same course. In the extraordinary monetary pressure during the past year, they had been successful in the issue of the debentures of the company as they had fully hoped to be able to do, and that, of course, had been a great satisfaction of a company like theirs, which proposed to work on debenture capital. He was now, however, happy to say that the money market was far more encouraging, and the direct-banking arrangements under which they would, he confidently expected, be able to place a large amount of their debentures in the market. He had now to come to what had been good in the company's past year, and in speaking of the position and prospects of the company in Mauritius, and of the manner in which they had been received, he could most sincerely state that their reception and success had been even more encouraging than any of the directors could have hoped when they commenced business. Their rules for the local business, which had been very carefully framed upon the French model, were understood and appreciated (the element being very large in the colony), and were highly satisfactory by all the proprietors who had good reason to be so. The consequence was that the company had had, from

the first, its choice from amongst the best estates in the island. position then was this, that without the help of debentures they were to pay a moderate dividend, and in proportion as they succeeded in paying their debentures, so would their dividends increase. He had no doubt they would soon be able to do so to an extent that would render the company one of the great successes of the day. All that was required was the company's position, its system, and its prospects should become known, and that capitalists should understand on what safe principles business was conducted, and how rich and extensive was its field of operations. The manner in which they conducted their business was as follows. They lent out their money on first mortgage of real property. When they did so, however, they had the property carefully appraised, and did not lend a farthing in excess of half the valuation. Nay, more, they received the first half-yearly payment of interest, &c., say 5 per cent. in advance, the margin of their security was really 55 per cent. They had the most able law officer in Monsieur de Nanteuil, a French barrister, thoroughly skilled in the French law—for the Code Napoléon was in force in Mauritius—and deeply interested in the success of the company. The system of registry, both of title and encumbrances, was so perfect, that it was really safer to advance money on mortgage in that colony than in any other country. When a loan was granted, not a farthing was paid until the borrower received the certificate of the proper government officer, to the effect that there was not any prior charge on the property. Two months after the loan was granted, notice was the time allowed for the registration of claims to persons who might have claims upon a property which the owner desires to mortgage, and if they fail to do so within that time, their claims are barred. The importance of the island was not very generally known. Many people thought of it only in connection with the story of Paul and Virginia. The company had to do with something more real than that story. The sugar estates on the island were alone, at a low valuation, worth £5,000,000 sterling. Taking the produce for 1863 (and there had been many better years) at 121,000 tons, its value was nearly £2,500,000 sterling annuum. The planters were a most intelligent and enterprising set of men. Of the 260 sugar estates in the island, all, or nearly all of which were now fitted up with improved machinery, upwards of seventy are provided with vacuum pans, capable of turning out sugar equal in quality to refined—such sugar as, owing to our Custom laws (a rag and tatter of protection which he hoped soon to see torn off), was only too good, and required little spoiling for the English market. Still, owing to the favourable geographical position of the island, that excellent sugar, unspoiled, was a ready and a good market in the ports in the Oriental hemisphere. Of the 121,000 tons mentioned, one-half came to this country, one-eighth was brought to France, and the remaining three-eighths went to Australia, Bombay, the Cape of Good Hope, and other eastern ports. In short, the geographical situation gave Mauritius, on the one hand, an unlimited supply of labour, and, on the other hand, a great and increasing market at its own door. These were the things which he wished the shareholders to bear in mind, so that they might make the position of the company known to their friends. With respect to the item "Management," in which the shareholders would find on the credit side of the profit and loss account, he wished to explain, as he had been told that the nature of the item was not fully understood, that it was a fixed charge paid by the mortgagor throughout the whole period of the loan. The item of interest, of course, was reduced in each case every six months, as the principal

tem of "management fees" remained the should last for thirty years. Supposing to be twenty years, this item capitalised, the value of an annuity of £2,000 a year increase with every new transaction. With more calls, he had to state that the directors the course announced in the original proposal would be called up, and then that debentures the directors had followed, and they in the directors could give no pledge never to capital of the company. The credit of of making calls, and it was on its credit to thrive. But though he could not be the subject, he could say that the directors all, and that they saw not the least probability of another call.

ed by a Shareholder,
ertain inquiries which were addressed to
ore 6 per cent. interest, and that certainly
t rates which would not afford the com-

uggested that it would be well to divide each
h, with £5 paid up, as they would thereby
n their market price, and thus facilitate
entures.

iven expression to similar views,
itor, showed that legally it was impossible
course, without a formal dissolution and

suggestions which had been made should
ctors.

usly agreed to.

the payment of a dividend at the rate of
share, payable on the 16th February.

Balfour, and was carried unanimously.

special, when resolutions were passed
of issuing debentures to an aggregate
capital for the time being, and preventing
any's own shares.

ted with a vote of thanks to the chairman.

CO AND SOUTH AMERICA, LIMITED.

ing of this company was held on the 14th
n, Bishopsgate-street; Mr. J. Paterson in
called in accordance with the articles of
inasmuch as the accounts from the branch
ved in time to submit them to the share-
ers' meeting.

g was called in order to comply with the
pany. The bank was incorporated about
ear. They had branches in the United
the mails were not due till March, it
the meeting till that month, and it would

be also necessary to pass resolutions for holding their general meetings in March or April. Although they could not, on that occasion, exhibit accounts, they had them down to November, and from the several branches they had information that the results of their operations had been quite as satisfactory as they had anticipated. Their business had been an undoubted success, and the directors were perfectly satisfied with what had been done by the branches abroad. At their former meeting he had ventured to predict that they would make 10 per cent. profit at the close of the year. He would say nothing as to the period up to December, which would show a profit considerably over 10 per cent. This was satisfactory for an average period of eight months only. They had been successful in Lima, in Peru, and the manager had not opened the branch in Mexico till the month of August, and then there were really but two months' operations. They had made gross profits to the extent of £25,000, and few banks, he could venture to say, had done so much in the same period; but a considerable rebate had to be made. Thus, in Columbia, the rebate would be to the extent of half the bills; and so in the case of Mexico, from the 1st of August there would be a considerable rebate, but the dividend, he was satisfied, would reach 10 per cent., besides carrying a good sum to the reserve fund. Now, it might be interesting to the shareholders to know what the total amount of rebate would be. It would be something like £8,000, which would come into the present half-year. It would also be interesting to the shareholders to know that all their managers had given satisfaction. (Hear.) At the last meeting he had intimated the fact of the opening of the branch at Callao. Their head manager at Peru had informed the board that his predecessor had done nothing which he did not consider to be satisfactory, he had entered into no transaction to which exception could be taken. (Hear.) And when they took into consideration the peculiar state of that country, in consequence of the misunderstanding with Spain, he thought the merit of their managers was the greater. In Columbia and Bogota they had been well received. They had, in the United States of Columbia, the right of issue, and the government had received them in the most favourable manner; and the people sought for their notes in preference to silver. The business which was opening up in Bogota was a most satisfactory one, and the exchange business would be of a very extensive character in Peru. He then went to Mexico, where everything was progressing. When the board last met the shareholders, they asked for powers to put the bank in such a position as to enable them to obtain a concession, but it had since gone into the hands of Frenchmen; but the bank was in perfect harmony with the one referred to, and under such auspices the bank could not but be benefited. The profits to be gained in the Mexican field were larger than the other branches; and they could do much more with a larger capital (hear, hear) but the board, acting on what they believed to be the feeling of the great body of proprietors, preferred going on safely and slowly for the present leaving to a future time to consider this important element. In conclusion the hon. gentleman moved that this meeting be adjourned till the 14th March next, at the same place and hour.—Carried.

The meeting was then made an extraordinary one, and, in conformity with the advertisement, resolutions were carried increasing the qualifications of directors from 20 shares to 50 shares, and for altering the day for holding the general meeting to the second week in April.

The proceedings closed with a vote of thanks to the chairman and directors.

LE CITY AND DISTRICT BANK.

annual general meeting of this company was held
 Mr. George Relph in the chair, when the follow-
 ings were submitted to the shareholders, and unani-

s now laid before the meeting show the net business
 year ending 30th June to amount to £7,423. 18s. 7d.,
 25. 12s. per cent. per annum; and for the half-year
 , 1864, £8,772. 18s. 3d., being at the rate of £30. 5s.
 and making on the whole year £16,196. 16s. 10d., or
 s. 6d. per cent. per annum on the paid-up capital.
 ent. having been paid for the half-year ending 30th
 rs recommend a dividend of 9 per cent. to be declared
 ng 31st December last, making in all 18 per cent. for
 conformity with the resolution of the general meeting
 on the 11th day of February, 1862, authorising the
 ntee fund to £30,000, your directors have added a
 0 to that fund, which now stands at £28,000. The
 ebits reported and estimated at £750 at the last annual
 ertained to amount to £881. 19s. 6d. This sum
 tional bad debt of £59. 10s. 11d. incurred at Carlisle
 ritten off the auxiliary fund. After these payments
 re will remain a balance of £2,453. 16s. 11d. in the
 ct to a half-year's income tax. Towards the close of
 s concluded to establish branches at Workington and
 ment the resources of the bank by a further issue of
 happy to state that this arrangement has met the
 holders, from the fact that a considerable portion of
 en taken up by them, and the directors purpose dis-
 tinguish shares to parties whose position and influence are
 interests of the bank. It is with deep regret the
 de to the death of Mr. Allison, the recently appointed
 ranch at Workington. His business habits, local
 igh esteem in which he was held, eminently qualified
 The directors have engaged Mr. David Tweddle, of
 successor. Mr. Joseph Huddleston Wood has been
 e Maryport branch. Mr. John Wakefield, honorary
 orge Relph, Thomas Clarke, and Thomas Gibbons,
 tire from office in accordance with the eighth clause
 ment, but are eligible for re-election."

auditors (Messrs. George Bewley, Joseph Bendle, and
 ing the balance-sheets, was also read and adopted.
 r cent. was declared for the half-year, payable (free
 e 23rd instant.
 d was re-elected honorary director; Messrs. George
 ke, and Thomas Gibbons were re-elected ordinary
 lemen were appointed auditors for the ensuing year,
 ewley, Carlisle; Mr. Pattinson Dalton, Cummersdale;
 rry Bonnell, Carlisle.
 meeting were awarded to the directors, Mr. Farrar,
 other officers of the bank.
 tract of the balance-sheet of the company.

Abstract of the Balance-sheet for Half-year ended

	LIABILITIES.			
Capital stock
Deposits, balances of account, and notes in circulation
Guarantee fund
Auxiliary fund
Net profits for the half year

	ASSETS.			
Bank premises, old and new, and at branch
Cash and bills in the bank, advances on securities, &c.

	PROFIT AND LOSS, AND AUXILIARY FUND.			
<i>Dr.</i>				
Property and income tax, paid
Dividend to 30th June, 1864
Dividend to 31st December, 1864
Guarantee fund
Debts written off
Balance to auxiliary fund

<i>Cr.</i>				
Balance of auxiliary fund on 10th February, 1864	...	...	...	...
Net profits, 30th June, 1864	...	...	...	...
Do. 31st December, 1864	...	...	...	...
Transfer fees	...	...	...	...

Undivided profits, viz. :—				
Guarantee fund	...	...	...	...
Auxiliary fund	...	...	...	...

BIRMINGHAM BANKING COMPANY.

THE thirty-fifth annual general meeting of this company was held at the Assembly Room, Exchange Buildings, on the 15th February 1864, I. Welch, Esq., one of the directors, in the chair.

The following report was presented :

"The directors of the Birmingham Banking Company have the honor to present their thirty-fifth annual report, which the proprietors cannot but consider to be a satisfactory one, as the business of the bank has been enabled to state that the business returns of the bank have increased, and the profits realised during the past twelve months

yard ...	...	...	£1,702	15	5
...	...	...	67,154	7	5
			<hr/>		
			68,857	2	10

June £12,000; dividend	68,857	2	10
£20,000; dividend			
£26,125	58,196	0	0
... ..	<u>£10,661</u>	<u>2</u>	<u>10</u>

passed unanimously:—
 adopted; and that the same be printed,
 binding, and a copy sent to each pro-

"That a half-yearly dividend of 10s. and a bonus of 10s. on the old shares, and a proportionate amount according to the value on the new shares, be now declared, payable without deduction on the 1st day of March next, and that the transfer mentioned in the resolution be approved.

"Messrs. Edwin Laundry and William Henry Reece having presented the lists sent in by the proprietors, and having certified that the gentlemen have the greatest number of votes, they are declared elected to the office of directors for the ensuing year :—William George Richards Elkington, Sampson Lloyd Foster, Ralph Heath Taylor Horton, Samuel Wilfred Lucas, John Breasley Pay Pemberton, John Poncia, Henry Van Wart, James Watson, and Isaac Welch.

"That the thanks of this meeting be presented to the directors for their valuable services.

"That the best thanks of this meeting are due and are hereby presented to the directors for their valuable services, and that a sum of £2,000 per annum be placed at their disposal for the future.

"That the best thanks of the proprietors are hereby presented to Frederick Isaac Welch, J. B. Payn, and S. W. Lucas, Esquire, for their valuable services as consulting directors.

"That the best thanks of this meeting be presented to the Chairman, Mr. W. H. Beaumont, and the other officers of the company for their attention to the interests of the bank.

"That the best thanks of this meeting be presented to Frederick Isaac Welch, Esq., for his able conduct in the chair."

The proceedings then terminated.

ORIENTAL FINANCIAL CORPORATION, LIMITED

AN extraordinary general meeting of the members of this corporation was held at the London Tavern on the 15th February, for the purpose of confirming certain resolutions which were passed at an extraordinary meeting of the members on the 27th January, having for the purpose certain alterations in various clauses of the articles of association, and adding the following words to the 50th article :—"The directors may from time to time, for the purposes of the corporation, borrow on behalf of the corporation from any of the directors or members, or any other person, such sums as they may require upon mortgage of the property of the corporation, or upon bonds, or otherwise." Mr. W. C. Beaumont occupied the chair, and after the usual preliminaries,

The Chairman said that the object of the meeting was to confirm certain resolutions which were passed at the meeting of the 27th January. He suggested that they should confine themselves to the business of the meeting at first, and then, as some rumours had been spread as to the position of the company, he would most willingly listen to any statement upon that subject. He moved the confirmation of the resolutions.

The motion was seconded by Mr. Carew, and a long and desultory discussion ensued as to the course of proceeding which should be adopted.

Major King said that he had proposed to bring forward two resolutions, one of which he was informed would meet the views of the directors.

man said that the course for them to pursue was to confirm or negative the confirmation. It would not be legal to pass any other resolution than for the objects for which the meeting had been called.

He could not see that the passing of the resolutions would improve the position of the shareholders in any respect. Although the directors must regret the unfortunate position of the corporation, still they would be throwing a barrier in the way of the improvement of the position of the property of the company. He thought they should pass the resolutions and hear the statement the chairman had volunteered to make, and then take what steps were expedient upon that statement by calling a special meeting of the shareholders or otherwise.

He thought they had a weak board, and needed an addition of a new element. They should as soon as possible effect an amalgamation with some other company.

His suggestions were then confirmed.

He then said he would not occupy much of their time, but it was necessary to say a few words, as within the last two or three years since the last meeting there had been a great amount of fear and confusion—amounting almost to a panic—with regard to the corporation—company. The result had been that the shares had gone down materially, numerous letters had been written, and rumours spread abroad. That, no doubt, was to be attributed in a great measure to the retirement of Mr. Crawford from the board. He did not go into the particulars of that gentleman's retirement, but it was of great importance which some attached to it. It had involved the corporation in considerable difficulties, as he (Mr. Crawford) had retired after the directors were made up, and just upon the eve of a general meeting. The directors had not been at all affected by it. They were as straight as they could be, and the securities were all sound. The money advanced upon good collateral security, which was not like the practice of lending money on Consols or bills; their securities could be sold at once, it required time. He was glad to say that the value of the securities held by the corporation was improving rather than declining (Hear.) There was a proposition for an amalgamation between the corporation and another company, but he did not know whether it would be successful.

A committee had been appointed to look into the accounts of the corporation, as it was not the intention of the board to amalgamate with a company whose securities were worthless.

He then expressed himself dissatisfied with the balance-sheet, and the directors ought not to make any further calls. At the same time he would assist the board in bringing about an improvement in their affairs, which was much needed, when he told them that the value of the securities was depreciated 80 per cent.

He, a director, said that he did not think that at present there was any necessity for making that call which the shareholders appeared to be opposed to.

The directors had tried to conduct the business of the corporation for the general good, and when it was found necessary to make a call upon the shareholders, the business to be carried on or enlarged, the directors were to make it. As to the retirement of Mr. Crawford from the corporation, Mr. Wynne went into a long statement showing that he was a great loss to the corporation, and regretted his resignation. He gave his accounts which were passed, and then he received a letter

from Mr. Crawford, stating that he did not think that a dividend be declared, considering the class of the securities held by them. He (Mr. Lysney) said that if the company was in danger he would leave it; but he knew it was not in danger; for all the advances made had been backed by good collateral securities, in some cases three times the amount of the advance. He thought they should declare a dividend, unless they had a great loss come on them. He thought that Mr. Crawford would rejoin the board, but he had since written to Mr. Crawford, and hoped he should have a satisfactory explanation. The consequence was that the board had been divided, and two shareholders being delegated by themselves to meet the others, had called upon the officials to produce the securities. The officials had been declined, but after a long conversation he believed the gentlemen went away very well satisfied. He had to suggest that they should divide the £50 shares, upon which £10 had been paid, into 10 shares of £25 each, that would give only £5 paid upon each share, and not increase the responsibility. He thought that the company should amalgamate with some other company; but they should do so with his consent, except with a company which was respected in the direction. They would amalgamate if they could find such a company. It would be the best thing for this corporation, as they could carry out their business without a large addition of capital. He also thought that they should open a register in India, which would be of great advantage when the shares were affected in England. In many things could be done for the good of the corporation if the shareholders worked with the directors, as the welfare of the company was much affected by the expressions of the shareholders, which often depreciated their property than any other cause.

Some discussion then ensued, in which the majority of the expressed their satisfaction at the explanations of the board that the suggestions thrown out by the chairman and direct amalgamation and the making of calls only when absolute for the interests of the company, would be carried into effect.

Mr. Powell congratulated the meeting upon the conciliatory had been adopted, and sincerely trusted that a speedy amalgamation be effected with some other company, as a capital of £10,000 be worked almost with as low a staff as a capital of £100,000.

The Chairman briefly replied to the observations which were made, and promised that they should receive due consideration on the hands of the board. He trusted they would get on prosperously and more amicably after the explanations which had been given (hear).

Thanks were voted to the Chairman, and the meeting separated.

OTTOMAN FINANCIAL ASSOCIATION.

The first ordinary general meeting of the proprietors of the was held *pro forma*, on the 15th February; Mr. G. P. K. chair.

explained that the accounts had only arrived from the day preceding the meeting, and the directors were unable to place them in the hands of the proprietors; he therefore proposed it should be adjourned till the

conversation ensued as to whether questions should be referred at this meeting or not, which resulted in the adjournment till the 28th, being moved by Mr. Sirrell, seconded and carried.

CONTRACT CORPORATION, LIMITED.

At a general meeting of the members of this corporation held at the London Tavern, on the 16th February; Mr. Joseph Handfield presiding.

Mr. J. C. Handfield having read the advertisement contained in the Standard, read the following report:—

The accounts herewith submitted show that the balance of profits was £6s., after allowing rebate of interest upon bills not yet received; we propose that a dividend be declared at the rate of £10 per cent., free of income tax, which will absorb £3,000, and, with the balance, make the dividend for the year £12½ per cent. The state of the money market during the autumn months has been such as to exercise the greatest caution, and indeed to refrain from undertakings requiring an immediate and large outlay, in order to wait for a more favourable season before embarking on a new project of moment. The result of the proceedings of the half-year has been necessarily small, but the directors believe that the same has best served the interests of the shareholders, and will be met with approval. An opportunity now offers for largely and profitably engaging in the special business for which the corporation was formed. The directors have the gratification to announce that they have secured the co-operation of the well-known firm of Messrs. Messrs. and Co. This arrangement, which has received the directors' consideration, and has been made subject to the approval of the shareholders, wants only their confirmation to enable the corporation to commence extensive operations, from which satisfactory results are expected. Resolutions in reference thereto will be submitted at the extraordinary meeting, to be held immediately after the adjournment, has been concluded."

Balance-sheet, December 31st, 1864.

DEBTS AND LIABILITIES.

per Share, £60,000; amounts received in	
£1,776	£61,776 0 0
; interest, new account, for rebate on bills	
10s. 4d.	5,583 10 4
s. deposits, &c.	118,398 10 6
loss account	5,043 6 0
	<hr/>
	£190,801 6 10
	<hr/>

ASSETS.

Lease of premises	...	...	...	...	...	...	...	...	...
Furniture and fittings	...	...	...	...	...	...	...	...	...
Preliminary expenses, £3,138. 19s. 4d.; less moiety charged to profit and loss, £1,569. 19s. 4d.; £1,569	...	...	...	...	...	...	...	...	...
Advances, &c.,	...	...	...	...	...	...	...	...	18
Cash in hand and in bank	...	...	...	...	...	...	...	...	...

£19

Profit and Loss Account, December 31st, 1864.

Current expenses for year ending December 31st, 1864, including rent, salaries, directors' fees, office and general charges, &c.	...	...	...	...	...	...	...	...	£
Rabate on bills receivable carried to interest new account	...	...	...	...	...	...	...	...	...
Moiety of preliminary expenses written off this year	...	...	...	...	...	...	...	...	...
Dividend declared on 26th July, 1864	...	...	...	...	...	...	...	...	...
Amount carried to reserve fund	...	...	...	...	...	...	...	...	...
Balance carried down	...	...	...	...	...	...	...	...	...

£2

Gross amount of profit for year ending December 31st, 1864 ... £2

£2

Balance brought down ... £

The Chairman, in moving the adoption of the report, said that for itself, but as some letters had been received by the board, dissatisfaction at the reduction of the dividend this half-year, a of explanation might be satisfactory. He called the attention of holders to the fact that besides paying 12½ per cent. for the year a reserve fund of £4,500, which was equal on the paid-up capital cent. more, thus making the profits 20 per cent. They had also mind that up to the present their expenses had necessarily compared with the amount of business they had done. They had on the undertaking new to the work, and the past year might be a year of apprenticeship. An amount of business had been brought them which was almost appalling for its vastness, and such corporation with so small an amount of capital paid up as they not entertain except to a very small degree. They had then fined their business very much to financial matters connected tracts, and it was from those operations that the profits of the tion had accrued. With the experience they now had they proposed to extend their operations in the direction of the purposes for which pany was originally formed, and with that view they had made ments, which would be submitted to the proprietors for their with Messrs. Watson and Overend, from which they anticipated satisfactory results. In order to carry out the arrangement a of directors had been appointed to inquire into the nature of the of Messrs. Watson and Overend, of which Captain Jervis was man, and that gentleman would explain to them the mode in which proposed to carry the arrangement into effect. They thought it directors of what they believed would become a very important

sanction of the shareholders upon such they now proposed to take up, and there- the report, he would call upon Captain er to enable him to state what was pro-

ing the motion, said that he had taken e arrangement they had made they did ion, any of the actual contracts which n hand, but had secured their hearty all future business. Consequently in the shape of bad or doubtful con- nly believed, two of the best men in ness for the transaction of which the he exceptions to which he alluded were ilway, and two other small railways had considered most seriously what n their business, and they had come to the present paid-up capital, further r share, extending over a period of would give them a sufficient capital blic works. So far they had operated me their serious duty to consider what tors had therefore turned their atten- justified in the steps they had taken, ty approval of the shareholders. The in the matter, and had stated that e their arrangements without consult- felt that they would much rather ith the shareholders, and, with that m. (Cheers.)

the item in the accounts of amounts 398 represented money which they pay.

as money due on deposits for fixed the item on the other side of the

pany had not made a single bad debt.

at the nature of the business was on nting to something like 40 per cent.,

afraid that if they entered into any ransacted they would shortly have say was that it was of a most satis-

uses had been heavy in consequence of doing little business, from the causes n connected with business for thirty mself, he had never done so much this corporation. Of course, as the d greatly lessen proportionately, but ed charges, which they had to pay . With respect to the payment for

Messrs. Watson and Overend's business, that was to be settled, and every care had been taken to protect the interest of the corporation. The balance of £5,043 was carried forward to the account in preference to being carried to the reserve fund, because the amount carried to that fund (£4,500) was equal to $7\frac{1}{2}$ per cent on the capital, which was considered quite sufficient. (Hear, hear.) They had not have divided considerably more, but they considered that it was prudent at the present moment to carry forward a considerable balance.

A Shareholder thought the course adopted by the directors to be wise and prudent. He wished to ask whether the directors had taken into account as their remuneration which they were empowered to do by the articles of association.

The Chairman said that they had not. He explained that the directors were twelve in number, and that they were to be remunerated by a fixed sum and a per centage, namely, £4,000 a year, and 5 per cent on the surplus, after 5 per cent. had been paid to the shareholders. They had taken the £4,000, but not the per centage.

Mr. Hodgson was glad to hear the statement of Captain Jervis, and believed the whole of their advances had been made on good securities, and asked whether the securities in question had been examined and approved by the auditors.

Mr. C. J. H. Allen, an auditor, replied in the affirmative.

The report was then unanimously adopted, and a dividend at the rate of 10 per cent. per annum, free of income tax, declared.

On the motion of Mr. E. Makins, seconded by Mr. Ricketts, the auditors, Mr. C. J. H. Allen and Messrs. Deliotte, Greenwood, and others, were re-elected.

This closed the business of the ordinary general meeting, which was then adjourned to the next day, when it was to be held itself into an extraordinary general meeting.

Captain Jervis moved that the agreement which was entered into between the corporation and Messrs. Watson and Overend on the 1st of February, for the acquisition by the corporation of Messrs. Watson and Overend's business, be confirmed.

Mr. Alderman Dakin seconded the resolution. The committee had gone most carefully into the matter, deeming it of the greatest importance to the interest of the company. The board had felt, during the preceding year, the want of some competent and efficient advisers, and it was a matter of the greatest gratification to obtain the co-operation and assistance of such eminent men as Messrs. Watson and Overend, who had been so successful hitherto in everything they had undertaken. It was the pleasure of knowing those gentlemen personally as well as by reputation, and he was satisfied that the co-operation of two such experienced railway engineers would be of great advantage to the company. The board having felt the necessity of abstaining from entering into those operations for which the company was formed from the efficient assistance, the acquaintance of Messrs. Watson and Overend, and the promised great success to it. They had heard from Captain Jervis that co-operation would be obtained without mixing up this company with the enterprises which Messrs. Watson and Overend had been carrying on. Whatever was taken over by the company would be fairly valued, and Messrs. Watson and Co. had put themselves entirely into the hands of the corporation to decide what was the most equitable way for them to carry out the agreement; therefore they had every assurance that the corporation would pay no more for the plant, &c., than their own arbitrator would decide was just.

in reply to a question, stated the arrangement did not of the Mid-Wales line.

ing been put, was carried unanimously.

ft, M.P., moved that the amended articles of association for the old articles.

led the motion.

led the attention of the meeting to the fact that the board gave power to the board to increase the capital of any amount, without consulting the shareholders.

said that he was quite of opinion that such an unlimited power be placed in the hands of the board; and, after a short time subject, it was agreed that the power of the board to the creation of a capital of two millions only beyond of existing capital, thus leaving the same power in the hands as they possessed under the old articles.

led the attention of the board to the small amount of capital compared with the nominal capital, and asked the chairman what the shares were to be reduced.

said that the application to Parliament was to reduce the shares, and it was contemplated to call not exceeding during 18 months on the £100 shares, making the paid-up capital per share. Of course, the calls on the £20 shares would be £80. The whole matter would, he believed, be referred to a select committee of the House of Commons, with a view to the passing of a bill.

said that several banks had found it necessary to apply for a bill, and they had all been referred to one committee.

other question,

stated that by the arrangement made with Messrs. Watkinson they would become large shareholders, and that such a bill would be due to them on a valuation of the plant should be made in anticipation of calls.

that it appeared to him that the effect of the reduction would be that they would be £20 shares with £2. 10s. paid up. He thought the disproportion between the paid-up and the nominal would be too great. He thought it would be better if it was £10, or even £10 paid-up on the £20 shares.

said that at present the question was before Parliament, and he was unable to tell what course would be taken there, because the bill would fix the shares at £25 or £50.

asked whether in the event of the shares being reduced the shareholders would be prepared to hold five times the number of shares for the same qualification?

discussion upon this point it was agreed that the qualifications should remain as it stood at present, namely, the shares to be the nominal value of £5,000.

subject to the two alterations agreed upon, were then put a formal vote of thanks to the chairman and directors for the way they had displayed in the management of the concern. The motion of Mr. Makins, seconded by Mr. H. Barker, carried by a large majority.

having expressed his thanks, and those of the board, for the meeting, the proceedings terminated.

LEICESTERSHIRE BANKING COMPANY.

The thirty-fifth annual general meeting of the shareholders was held at the Three Crowns Hotel, Leicester, on the 8th February, 1864, Mr. Bankart, Esq., in the chair.

The following report was read :—

"The directors have pleasure in submitting to the proprietors the balance-sheets for the half-years ending the 30th of June, and the 31st of December last. After making provision for bad and doubtful debts, and paying the income tax, the net profit of the bank for the past year amounts to £25,231. 7s. 7d. This sum, added to £4,440. 17s. 5d., the undivided balance of the preceding year, makes a total of £29,671. 12s. 12d., which amount is included £1,124. 12s., for interest on the guarantee fund. The directors paid a dividend of £1. 10s. per share for the half-year ending the 30th of June, amounting to £7,500, and they now recommend the dividend for the half-year ending the 31st of December last be 10 per share, being 10 per cent. on the paid-up capital. After the payment of these dividends, and the appropriation of the interest on the guarantee fund as above, a balance of profit amounting to £13,547. 13s. will remain out of this amount the directors further recommend the payment of a bonus of 15s. per share, being at the rate of 2½ per cent. per annum on the capital, that £5,000 be transferred to the guarantee fund, and that the balance of £4,797. 13s. be carried forward to the current year."

The profit and loss account will then stand thus :—

<i>Dr.</i>					
Dividend paid to the shareholders for the half-year ending the					
30th of June, 1864	...	...	...	...	£7,500
Ditto, ending 31st of December, 1864	...	...	...	...	7,500
Bonus of 2½ per cent.	...	...	...	...	3,750
Interest on the guarantee fund	...	...	...	...	1,124. 12s.
Amount transferred to the guarantee fund	...	...	...	...	5,000
Balance to be carried forward	...	...	...	...	4,797. 13s.
					£29,671. 12s. 12d.
<i>Cr.</i>					
Net profit for the year 1864					
Net profit for the year 1864	...	...	...	...	£25,231. 7s. 7d.
Balance of profit for 1863...	...	...	...	...	4,440. 17s. 5d.
					£29,671. 12s. 12d.
And the guarantee fund thus :—					
Balance, January 1st, 1864	...	...	...	...	£37,200
One year's interest at three per cent.	...	...	...	...	1,125
Amount transferred from this year's profits	...	...	...	...	5,000
					£43,325

"At the solicitation of several valuable customers, the directors have for the last three months given a market-day attendance at St. Mary's, in connection with the branch at Ashby-de-la-Zouch, from which place it is five miles distant; the accommodation to the locality is greatly facilitated, and as the mineral products of the district and the manufactures are very considerable, the directors believe that before long it will

ence of the continued increase of the and the branches, the directors deem it er increased by the sum of £50,000, the shareholders, thus making the paid-up e directors therefore beg to inform the on to make a call of £2. 10s. per share, and a call of £2. 10s. per share, payable as to the remainder, the shareholders at annual general meeting. The 27th settlement recites: "That two of the n office; the vacancies to be filled up at ided, nevertheless, that on all occasions ected." It is therefore announced that , Esquires, are the retiring directors.

...	...	...	...	£150,000	0	0
...	...	...	...	43,332	13	0
				<hr/>		
				£193,332 13 0		
				<hr/>		

then passed and adopted:—

adopted, printed, and circulated among

y are hereby authorised to declare and re for the half-year ending the 31st of per share paid to the shareholders for ne.

ropriated to the payment of a bonus of that the further sum of £5,000 be trans- that the residue, viz., £4,797. 13s., be s account.

nd Mr. John Howcutt be re-elected

g be presented to the directors for their

eting be given to Mr. Kinton, the of the establishment, for their efficient

g be given to Samuel S. Bankart, Esq., t in the chair."

SOUTH EASTERN BANKING COMPANY.

shareholders in this company was held ondon Tavern, under the presidency of rpose of confirming certain resolutions l meeting held on the 6th February.

use 17 of the articles of association be enable the company to comply with the e.

at the name of the company be changed, The South Eastern Banking Company, any shall be The Counties Joint-Stock

Thirdly, "That the directors be, and they are hereby authorised to increase the capital of the company by the issue of any new shares each to any amount not exceeding £1,000,000, and that such increase of capital be made, and issue of new shares take place, at such times and in such manner as the directors shall deem expedient."

There were not, owing to the inclemency of the weather, enough shareholders present to constitute a quorum, and those present having waited half an hour, the prescribed time, the meeting was, on the motion of Mr. Alderman Abbis, seconded by Captain Mangles, adjourned to the following Friday, at half-past twelve, at the office of the company.

The usual compliment to the chairman closed the proceedings.

ORIENTAL COMMERCIAL COMPANY.

A SPECIAL general meeting of proprietors was held on the 22nd February at the London Tavern, Admiral Burney in the chair, for the purpose of affirming by a specific resolution the minutes adopted at a preliminary meeting held on the 26th January, to the effect, "That the Oriental Commercial Company (Limited) should modify its constitution as expressed in that of the Oriental Commercial Bank (Limited). That the capital be increased to £3,000,000 nominal, £1,500,000 issued, and that the company should at once be created to deliver against transfer of the capital to any other body, or upon allotment otherwise up to such amount. That the actual shareholders of this company should receive one share of £20 each for every seven of their present shares as a bonus, and that the share should continue to be £20 each nominal, £7 paid as before. That the present accounts of the Oriental Commercial Company (Limited) should be kept entirely separate as to profit and loss, and be balanced in the next course for the benefit of this company. On the motion as to whether the capital of the Oriental Commercial Company (Limited) should be increased as proposed, and the name and powers of the Oriental Commercial Bank (Limited) should be adopted, it is unanimously resolved that the meeting hereby approves and recommends that these measures should be carried out, and that the directors should communicate the sense of the meeting to the whole proprietary body, and take such other steps as may be requisite to give effect to the propositions in question."

The Chairman explained that the object of the meeting was for the purpose of giving the necessary authority for carrying out the recommendations unanimously adopted at the private meeting of shareholders held on the 26th ult. A vast majority of the proprietors were thoroughly convinced with the directors of the desirability of extending the capital, thus enlarging the basis of the company's operations. It had been suggested, "Why don't you make a call?" But they started with the idea of not making a call, and now they had the opportunity of increasing the capital of the company without making a call, and without the difficulty of seeking for capital; in fact, the capital had sought them, and the question was whether they should accept the offer so made, and thus, by adding to the capital of the company, vastly enlarge the profits of the proprietors. The further capital was proved by the fact that they had frequently been compelled to refuse business from want of means. Some say, we have always divided 15 per cent., and we are satisfied with it; but in these times they could not afford to stand still.

It would be sure, sooner or later, to find other companies starting with them, and probably taking from their profits. He was satisfied that the step proposed was the best that they could take, and he was confirmed in his opinion by the managers of the best mercantile and banking companies, both in London and elsewhere, to whom he had consulted, and who assured him that if the company carried this company would very soon be one of the best in London. Some persons might doubt the propriety of changing the name of the Oriental Bank, but the name of Oriental Bank carried no weight with it, and hundreds of people were ignorant of the nature of the operations in which the company was engaged. At the same time he wished it to be distinctly understood that the proposition of giving up the old business, or to enter upon banking, was not the ordinary acceptance of the term; but if they had the opportunity they would be enabled to assist their friends abroad in obtaining for themselves large profits from transactions in which they were practically shut out. He concluded by proposing the formal adoption of the minutes.

The motion was seconded by several shareholders, and after several shareholders expressed themselves favourable to the passing of the resolution, it was adopted.

The chairman then returned to the chairman, and the business of the meeting

THE EAST OF ENGLAND BANK.

The shareholders in the above bank, held at Norwich, on the 15th of May, it was resolved to make a further call of £15 per share, which was estimated would raise £45,000. It was stated that the bank had brought in about £30,000. The liquidators also informed the shareholders of a proposition which had been made by the Rev. A. Cooper, M.P. (against whom proceedings in Chancery had been taken as actions brought by individual shareholders), to pay the bank a lease from his liability both to the liquidators and the shareholders. The liquidators having in view the expenses of the bank, and seeing that in this particular instance the director was not at fault than sinning, recommended the shareholders to accept of the proposal, which, it was explained, was exclusive of the liability of the director in respect to calls on his shares, which calls, it was estimated, would amount to very nearly £10,000 more. The shareholders, after the question was fully explained to them, adopted unanimously the proposal of the liquidators, and a consent was signed to the proposal alluded to. It was stated that the proceedings taken against the other director would be pushed on with as much vigour as possible, and that further relief to the shareholders might be obtained if possible. A second dividend of 5s. in the pound will be paid; to pay that dividend £140,000 will be required, and the bank has in hand £130,000, including the amount received on the

UNITY JOINT STOCK MUTUAL BANKING ASSOCIATION

AN extraordinary general meeting of the shareholders of this company was held on the 14th February, at the London Tavern, to consider whether the prosecution of Terry and Burch should be conducted at the expense of the shareholders, and also to consider the resolutions of the directors of the 19th of January, 1865, and the future conduct of the liquidators. Mr. Deputy Rowen, the deputy chairman of the board of directors, took the chair.—Mr. Procter moved the first resolution, to the effect that the prosecution should be continued by Messrs. Lewis and Lewis; that the expenses be paid out of the funds in the hands of the liquidators. Mr. Kench seconded the motion, which was put and carried almost unanimously.—Mr. Lewis said that the law costs in all the prosecutions would, he believed, not exceed £500, of which about £150 had already been received in fees from the directors, so that the costs provided for he did not expect would exceed £350.—Mr. Sutton moved a resolution censuring the three directors for the course they had pursued, and requesting the shareholder liquidators not to resign, but to hold themselves together as a committee of vigilance to watch the proceedings of the directors in winding up the affairs of the bank.—Mr. Procter moved an amendment as follows: "That the present directors be requested to resign, and that the liquidators be appointed directors in their place."—Mr. Newton seconded the amendment.—The Chairman said that the notice convening the meeting did not include the election of directors, and could not put it to the meeting.—Great dissatisfaction ensued, at which the mover put it to the meeting, and it was carried. The chairman and directors then abruptly left the chair, and the legal meeting continued amid expressions of great disapprobation.—Dr. Cooke was then voted into the chair, when Mr. Lewis entered into an explanation of their legal position, and suggested the following resolution:—"That if it be necessary, the winding-up of the bank, and the prosecution of Terry and Burch be referred to the Court of Chancery, the present body of liquidators have power to take such steps as they may be advised on behalf of the general meeting of shareholders."—Mr. Sherwood then formally moved, and Mr. Newton seconded the resolution, and it was carried unanimously.—A vote of thanks was given to the liquidators for their zealous services, and the proceedings terminated.

CONTINENTAL BANK CORPORATION.

THE report of the Continental Bank Corporation, submitted to the shareholders on the 27th of February, exhibits a considerable loss by the failure of the constituents during the late commercial crisis. Under these circumstances the directors deem it their duty to make the shareholders acquainted with the precise condition of affairs, to exhibit the whole loss incurred, and to offer their suggestions as to the best mode of dealing with it. After the most careful examination of the accounts at the head office and branches, the total loss is found to amount to £19,500, and after deducting from the net balance of profits, £5,090, and the reserved fund, £1,000, the remaining deficiency is £13,409. This sum the directors recommend

account. While regretting this result, the directors very hope to the future. An excellent business has been made of current profit, since the last year's accounts were increased; and a prospect has been opened up of a most profitable nature. The amalgamation, to be made in the last report, not having been carried out, for the requirements of the bank, to add to the paid-up shares:—viz., £5 on the original shares, on the 10th and £5 on 10th of December; and on the new shares, £5 on 2nd of January, 1865. These calls have been made, and there still remains £10 to call on the new shares to the first issue.

[Report of the meeting in our next number.]

OTTOMAN FINANCIAL ASSOCIATION.

The Ottoman Financial Association shows that the business was done on the 1st June. The Smyrna branch was opened in Constantinople branch in September. The directors propose that the year shall terminate on the 30th June in each year. They recommend that an interim dividend of 10s. per share be put to reserve fund, leaving a balance of £6,833. The directors feel that, notwithstanding the recent commercial affairs, and the opposition of competitive banks, they have good cause to congratulate the shareholders on what has been hitherto achieved by the association, and to express confidence in its future prosperity.

[Meeting will be given in our next.]

POOL BANKS.—DIVIDENDS, &c., FOR LAST SIX MONTHS.

Name.	Paid-up Capital.	Reserve Fund.	Paid up per share.	Div. and bonus per ann.
	£	£		
... ..	842,460	208,257	25	nil.
pool	625,000	251,964	12½	10
... ..	350,000	183,000	10	10
ange	120,000	nil.	5	5
Exchange	369,295	nil.	10	nil.
... ..	219,538	97,530	10	10
th Wales	300,000	150,000	10	20
n... ..	267,262	7,000	5	10
... ..	500,000	82,476	10	5
... ..	450,000	140,481	15	10

REASONS AGAINST THE BILL OF THE CHANCELLOR OF
EXCHEQUER "TO MAKE PROVISION FOR EMPOWERING
COUNTRY BANKS OF ISSUE TO OBTAIN RELIEF, &c."

THE Bank Act, 1844, while confirming former Acts which empowered joint-stock banks to issue notes, fixed the amount of the issues of the existing country banks, and prohibited the formation of any new banks of issue, but did not relax the restriction of the distance of 65 miles within which the existing joint-stock banks of issue might not carry on their banking business. The policy of Sir Robert Peel in framing this act was avowed to be to provide a practical security for the Bank of England circulation, and the gradual extinction of that of private establishments for which no security was given; thus power was given to the Bank to compete on a pound with such banks as were willing to relinquish their issues, and in the case of bankers ceasing to carry on their banking business, becoming bankrupt, the amount of their issues absolutely ceased. In the provision was further made for increasing the amount, the Bank of England was authorised to issue upon securities, which by this Act was fixed at £14,000,000, to an extent not exceeding two-thirds of the amount of private issues that had lapsed, the profit on such additional issue being paid by the Bank to the government; under this Act the amount of issues of the Bank has been increased by £6,000,000. The Bill of the Chancellor of the Exchequer proposes to modify the provisions of these Acts. 1. By removing the restrictions of six in the number of partners in banks of issue, and providing for the continuance of issues that would otherwise have lapsed. The policy of the Act of 1844 was gradually to extinguish the issues of private establishments, Parliament always retaining the power of determining such issues without compensation; that no banks of issue should have more than six partners could unite with others and retain their issues with an increase in the number of partners, nor transfer their issues to others. The operation of the present Bill is to defeat the intentions of the existing Act, and take from Parliament the power of determining the right of issue, should public policy require it, unless the payment of full compensation to the bank enjoying the right of issue. Under the existing law, the issue of any bank, becoming bankrupt, absolutely ceases, but this Bill proposes that compensation for the issue for the term of the right of issue shall be paid out of the public revenues, and the value of the present value of an annuity of one per cent. on the issues of the Bank; and although the Bill is silent as to the rate of interest after which such present value is to be computed, yet requires it to be at three per cent. (the rate yielded by the public funds), to be paid to the consolidated fund for every £100,000 of issue for a period of twenty-four years will be about £16,900. 2. The present Bill proposes to remove the restrictions upon banks having more than six partners in their notes within sixty-five miles from London. On the faith of the provision of the existing law, other banks were established, carrying on business mainly within the radius of sixty-five miles from London, and only the secured notes of the Bank of England. The proposed Bill, without offering to them any compensation, bring within the radius of operations a new class of competitors, having peculiar privileges; and it is submitted that neither public policy nor convenience requires that the

be violated to the extent proposed, viz.: new Joint-Stock Banks of issue by the issue, and the creation of branches of radius of 65 miles from London: The which by the cessation of business, or ing bank, would cease: Compensation apt banks for the loss of a privilege, ceases. The withdrawal for a fixed issue of country bank notes, and their arliament now possesses.

DOLESEX BANK, LIMITED, ADICATION.

en issued:—"54, Bishopsgate Street
—I am instructed by the directors of
nited, to inform you that they have
turn to their shareholders, in respect
e of £1 per share, and that you may
gistered in your name on application
the months of March or April next,
ee o'clock. It will be necessary that
tificates for examination a few days
ue upon them. The directors also
continuing their best endeavours to
bank with the view of distributing
early as possible.—I am, Sir, your
Accountant."

ALIAN LOAN.

ent. State Domain Loan of £8,000,000,
e 16th January. The principal and
n Government, with special hypothe-
of the law of the Italian Parliament
scriptions will be received in London
Company, and by the Italian Land
Générale, and in Lyons by the Credit
Italy will receive applications for the
des Pays Bas for Amsterdam, Messrs.
ort, and the Banque de Credit Géné-
the state domains are estimated at
o bear interest at 5 per cent. on their
£100 by fifteen equal drawings in fif-
and payable 1st of April, 1866. The
n a period spreading from the present
5 per cent. being made on the nominal
due 1st April, 1865, will be attached
rice of the bond to 75, and subscribers
stalments under discount, at the rate

of six per cent. per annum, on any of the days fixed for payment instalments. Each bond further carries with it a free coupon *de* representing its *pro rata* participation in 10 per cent. of any profit by the sale of the domains over their valuation, which, at the sale at which sales are now making, may be estimated at from £2 to £100 bond, receivable over the fifteen years. The net price of the bond is thus further reduced to about 74, at which rate the interest the advantage of the annual drawings, makes the investment equivalent to a rate of over 10 per cent. per annum. The brokers to the loan are Messrs. James Capel and Co., and Messrs. Mullens, Marshall & Co. The annexed statement with respect to the advantages connected with the operation has been circulated:—

“This loan presents the following advantages to the subscriber on issue at £74 net pays—

1. £5 a year interest on £74, equal to £6 15s. per cent.
2. If a subscriber take fifteen bonds, which cost (15 × £74) £1,110, he gets one bond drawn each year at £100, for which he gets £74—that is, he gets his capital back and £26 bonus each year.

Thus in the first year he has £1,110 invested, and gets

£75 interest,
Plus £26 bonus.

—

Or £101 in all, equal to 9 1-10 per cent.

In the last year he remains with one bond, or £74 invested, and gets

£5 interest
Plus £26 bonus

—

Making £31, equal to 42 per cent.

The average, as calculated by actuaries' tables, is 10 3-10 per cent. per annum on the whole fifteen years on the capital invested. That is, an investor gets his capital back intact by instalments over fifteen years, with £31 per cent. for its use, while he remains out of it. Though the return to the subscribers is so high, the operation is a very advantageous one to the Italian Government, as, instead of burdening its finances with a loan, it obtains this money by the sale of state lands, which besides improving the political position of the new kingdom and adds to the wealth of the country by placing a great mass of landed property in private hands. The following is the position of Italian finance. To start clearing up the Italian Government required £8,000,000 to meet the arrears left by their predecessors. They have realised £5,000,000 by a sale of a year's land tax, and £6,000,000 by this measure for the sale of the domains. For the future the national debt of Italy, of all sorts, is £200,000,000, and they have extraordinary resources in lands, mines, and state railways, &c., of the estimated value of £80,000,000. The present Ministry have already made large reductions—viz., £1,000,000 in the army and £500,000 in the navy, and further large economies in other departments. With a prudent foreign policy their finances will be cleared up in three or four years.”

RIO DE JANEIRO GAS COMPANY.

Gas Company comes out under satisfactory auspices. The capital is to be £600,000, in 30,000 shares of £20 each, a limited liability undertaking, and also a "*société*" in accordance with the laws of Brazil. The deposit is to be £1 on application and £4 on allotment, the remainder in instalments:—£5 on the 28th of April, £5 on the 30th of June. The company has been engaged in the process of acquiring two concessions granted by the Imperial Government of Brazil for lighting Rio de Janeiro with gas. These are the monopoly of supplying the city of Rio with gas for 25 years from the 25th of March, 1854. At the same time the success of the works has been highly satisfactory, and the Government have arranged that the privileges be transferred to a joint-stock company. The net profits for the year 1863 to 1864 were £64,500, and for the year 1864 to 1865, or 10 per cent. on the proposed purchase-money, viz., £65,000, on the terms of the concession the company will be required to introduce into Rio de Janeiro all machinery and raw materials for the manufacture of gas free of duty. The compensation of paying one-half of the purchase-money in instalments. The profits will accrue to the shareholders as from July next. It will thus be noticed that subscribers to the property and an existing business, the net profits being in addition to anticipated progressive increase, will yield a return exceeding 10 per cent. per annum.

THE VARNA RAILWAY.

The Varna Railway Company have announced that they have taken up 30,000 shares of the Varna Railway Company. The company is situated between Rustchuk to Varna, and possesses a concession of the Turkish Government. The share capital is £600,000, 30,000 shares to bearer of £20 each, bearing a minimum interest of 5 per cent. guaranteed by the Turkish Government. 15,000 shares have been taken, 9,000 of which are under offer in Turkey, on the terms of the concession. The price of issue of the shares is £20, with a deposit on application of £1, and a payment of £19 on the 1st of July. The railway was commenced last June, and has been made in all branches of the works. Fifty workmen are ready for laying the rails, and the contractors are engaged to open the entire line in the autumn. According to the price of issue, shareholders will receive a dividend of 5 per cent. per annum, and interest will be allowed

at the same rate on all payments, and shareholders stated, may pay up in full. The shares will be redeemed a sinking fund, guaranteed by the Turkish Government, drawings, to commence the year after the opening of the holder of each share drawn and paid off at £20 will receive a warrant, entitling him to participate in all profits earned by way in excess of the guaranteed interest during the remaining concession. The importance of the traffic is well known, and form the shortest and most convenient route to and from providing the cheapest and most direct means of communication between the Moldo-Wallachian Principalities and the country Upper Danube and the port of Varna. It is understood concession for the coast line from Varna to Constantinople arranged, and that immediate steps will be taken to carry out the undertaking, which will increase the traffic and improve the of the Varna Railway Company. The bay of Varna is one of the best natural harbours in the Black Sea, where there is a large quantity of grain and other merchandise at all seasons of the year. Improvements which are to be immediately carried out, the port of Varna will shortly become one of the finest in Europe.

THE WEST LONDON DOCKS AND WAREHOUSES CO.

THE promoters of the West London Docks and Warehouses (with the river frontage at Battersea) require capital to the amount of £500,000, in 25,000 shares of £20 each, of which one-third has been subscribed. The company has been formed for the purpose of constructing a canal basin, with wharves and warehouses along its length, in the immediate vicinity of the Victoria Railway at Battersea. The objects of the undertaking are two-fold—to supply good wharf and warehouse accommodation to the south-western district of the Thames; and secondly, to accommodate the traffic of the various railways which converge to the point at which the wharves will be situated. The construction of the Thames Embankment, which will sweep away not less than two and a half miles of wharves, and consequently, will almost entirely close up the water way to the warehouses lying along its course. The railway companies which will have access to the wharves are the following:—The Great Western, the London and North Western, the Great Northern, the London and South Western, the London Brighton and South Coast, the London and Dover, and the Metropolitan. The revenue will be derived from canal and dock dues, rental from wharves and warehouses, and charges for loading and unloading. Responsible contractors have agreed to pay 7 per cent. interest upon the paid-up capital during the construction, estimated at about two years, and further for 10 months after the entire completion of the works.

OF THE RATE OF DISCOUNT.

Discount now stands at 4 per cent. The Bank of England also 4 per cent. The Bank of France, 5 per cent. Both the accounts of the Bank of England are improving, and are even in a much stronger position than last year. The bullion has rapidly increased. The large withdrawal from this side, and the contracts have been open to take the Paris market. If this is true it will be a turning point in the rate. The Bank of England directors not having reduced the rate to the shippers for having the purchase of the arrivals, and the metallic reserve in the vaults of the Bank of England is however, the stock of bullion is not so low. The directors do not see any breakers in the rate to $4\frac{1}{2}$ per cent. Beyond this rate it will be natural to descend, because it will be natural in the produce market will not be a turning point in the rate. Altogether it has been a dull year the last two months, and if the information we should shortly expect most persons are hopeful respect to the rate and there is every anticipation that the joint-stock projects are not too high, and new loans will be supported in the months since, and it is satisfactory to find that we now avoid any but what may be

BANK OFFICIALS.

The Bank of England has granted a bonus of 5 per cent. to their clerks. The Bank of Scotland have granted a bonus of salary drawn for year ended 1860. Their employment at the head office

AMALGAMATION OF THE ALLIANCE AND CONSOLIDATED BANKS.

It appears that a basis of arrangement has been agreed upon for the amalgamation of the Alliance Bank with the Consolidated Bank. Of course, further negotiations will have to be carried out before any modification of capital effected, before the united establishment can be brought into full operation. The possession of the premises of the auction mart, the central situation for business, is altogether one object of the Consolidated Bank in seeking to enter into an arrangement with the Alliance.

At the last moment the negotiations have been broken off.

TENDERS FOR BILLS ON INDIA.

THE biddings for Rs. 30,00,000, in bills on India, took place at London on the 1st February. The proportions allotted were—Calcutta, Rs. 16,27,000; to Bombay, Rs. 12,00,000; and to Madras, Rs. 2,22,000. The minimum price was, as before, 1s. 11½d. on Calcutta, and 1s. 11¼d. on Bombay. Tenders on Calcutta and Bombay at 1s. 11¾d. will receive about 27 per cent., and on Bombay at about 41 per cent.; all above these prices in full. Further biddings for Rs. 30,00,000 took place on the 15th February. The proportions were—to Calcutta, Rs. 15,39,000; to Bombay, Rs. 12,00,000; and to Madras, Rs. 2,61,000. The minimum price was, as before, 1s. 11½d. on Calcutta and Madras, and 1s. 11¼d. on Bombay. Tenders on Bombay and Madras at 1s. 11¾d. will receive about 43 per cent.; and on Calcutta at 1s. 11¼d., about 92 per cent.; above these prices in full.

SERIOUS ACCIDENT TO MR. K. D. HODGSON, M.P.

GREAT sympathy has been expressed in all commercial circles in London within the last few days in consequence of an accident which has befallen Mr. K. D. Hodgson, M.P., who is now on his way to the Governor of the Bank of England. It appears that Mr. Hodgson was proceeding towards his residence in his carriage, when, through some accident, he sustained a fracture of one of his arms. Continuous medical treatment has since been made at the Bank, and the latest reports are that he is progressing favourably, and that he may be expected to leave his bed about a week.

NOTICE OF INTEREST ON EXCHEQUER BILLS.

the Exchequer has given notice that the interest on payable on and after the 11th of March next will be 5 per cent. per annum. "All holders of Exchequer bills dated 1st March, 1862, who intend to demand payment of the principal contained at the expiration of the third year of the bills must leave the said bills at the Bank of England for deposit not later than the 8th of March next, between the hours of 10 and 4. Payment of the said principal sums will be made at the Bank of England on the 11th day of March next.

Communications.

From the Editor of the "Bankers' Magazine."

Ballaarat, 24th Dec., 1864.

BANKING AT BALLAARAT.

I return you my thanks for your kindness in giving a copy of my letter of the 10th of October last to a previous letter of mine, wherein I stated that the system of banking in vogue among both English and Australian banks was directed to the banking institutions on the basis of the system of business in vogue among both English and Australian banks. Since my previous communication I have seen the competition for deposits therein referred to, instead of being increased, rendering the giving of extravagantly high rates of interest compulsory, if each institution seeks to maintain its position. A high rate of interest allowed, namely, from 5 to 7 per cent. per annum, brings to the banks a constantly increasing number of deposits, which are diverted from other fields of investment to deposits placed at call, on which no interest is paid. The system of allowing interest necessitates an equally extravagant rate of interest on really first-class bills to be charged, which presses heavily on the commercial classes, and acts most injuriously to the carrying on of large businesses. The rate of discount is 12 per cent. for bills at 3 months, and those having a longer term are discounted a shade less. It is only within the last few years that the branch banks on Ballaarat, have begun to afford facilities to customers on any large scale. The permanent goldfields in this locality, and the splendid farming land around the town, together with the various industries from which the population is supplied, are amply sufficient to justify the banks in doing a large business in the shape of discounting bills. In order to be able to do so to an extent the banks have granted assistance, we may say that the establishment with which we are connected, has more than doubled its funds over a large area of a very diversified business in the last three or four years. We scarcely think, dis-
regarding the banks on goldfields of uncertain duration, would be the men commencing business on new "rushes" are

generally a class of customers of an undesirable kind. The Ballaarat endeavour to obtain a share of every kind of business establishment does not direct its attention to a particular department as the London bankers are reported to do. It is well known that it is mainly supported by its golden resources. The quantity already obtained by the mines of the precious metal has acted a wonderful part in the spell of the golden magician. The banks purchase almost the whole quantity of gold obtained in the Colony. Mining companies are sought for, and those obtaining gold, offered the strongest inducements to the banks. It is notorious to what an extent the banks under the influence of other, and how disgraceful are the schemes adopted to get their mining account. Fair, manly, and honourable competition is desirable to exist among banks; but, the dealings prevalent here presume in other inland districts of the Colony, will, and in a distant day, bring ruin and confusion to more than one establishment. The account of a mining company yielding a considerable quantity of gold is of great value to a bank. The bank gets the gold raised in the mine, its notes are circulated in payment of wages among the shareholders, as a rule, transact their business with the bank on their dividends, or perchance obtaining assistance for further investment. It needs no great stretch of fancy to see the value of a mining company which puts one or two thousand notes into circulation every fortnight from one to three thousand ounces of gold in the same time, and deposits, or increases discounts to equally large amounts. Were the Colony of Ballaarat to become non-auriferous, the business now done by the banks would decrease to such a large extent as to compel six of them to close.

During our residence at Ballaarat, we have often wondered at the absence of a banker's association, as also the want of a banker's library. The young men employed in the banks are, perhaps, as well educated and as devoted to literary pursuits as any other classes in the Colony, but, we venture to say, there are not very many bank clerks who will read up in books treating of banking subjects, and, indeed, anxious they may be to acquire knowledge of such studies, it is impossible to obtain works treating upon these branches. We venture to throw out a hint to directors and shareholders in England the value of presenting their officers in the colonies with a small collection of books as could not fail to be of the utmost advantage to them in their daily avocations. Clerks here work well for the interest of depositors; banks have hitherto succeeded; dividends large and regular, and have many a time and oft been declared; we, therefore hope, that the intellectual capacities of our fellow officers will not be allowed to pass in want of a few good books. The bank managers in Ballaarat are renowned for their care of those under them; how sadly do we want such a man as the late Mr. Gilbert, whose chief pleasure consisted in opening up new regions of intellectual food for the banking community in London.

I am,

Yours sincerely,

BANK CLERK

Estates of Failed Firms.

ESTATE OF MESSRS. LUNHAM & CO.

Meeting of the creditors of Mr. James Lunham, trading as Lunham and Co., was held on the 31st January, when the result of their labours, showing a revised statement of liabilities being now placed at £165,000, and the assets at the position of 9s. 6d. in the pound was now offered, instead of 6s. 6d. on the last occasion, payable by instalments at one, three, five, and ten years. The estate is to be liquidated under the supervision of Messrs. Coleman, Turquand, and Co.'s, assisted by solicitors.

ESTATE OF MESSRS. HILL & WEGUELIN.

Meeting of the creditors of Messrs. Hill and Weguelin, who recently went into liquidation, took place on the 26th January, when a statement was presented by Messrs. Cooper Brothers, accountants, showing liabilities of £29,547, against assets of £22,520. There were 13,923 on the 13th March, 1864. The great loss had to do with St. Petersburg on joint account with Messrs. Hill, and of that city. The partnership drawings represented

MERCANTILE SUSPENSIONS.

Announced during the month of February were the

R. Baker & Co., Mincing Lane, colonial and drug brokers.
 R. & P. Cohen, Melbourne, merchants.
 R. & Co., Melbourne, merchants.
 S. H. and Co., Melbourne, merchants.
 W. & Co., Bolton, spinners.
 W. & Co., Blackburn, manufacturer.
 W. & Co., Darwin, manufacturer.
 W. & Taylor, Accrington, manufacturers.

MONTHLY CHRONOLOGY.

The Directors of the Bank of France reduced the rate of discount.
 R. Baker & Co., of Mincing Lane, drug brokers.
 R. & Co., of Melbourne, report the suspension of Messrs. S. H. and Co., of Melbourne, with £21,000 liabilities.
 R. & Co., of Melbourne, liabilities about £18,000.
 S. H. and Co., also of Melbourne, with £25,000

17.—The Directors of the Bank of Holland reduced the rate of from $4\frac{1}{2}$ to 4 per cent.

21.—A new Peruvian Consolidated Loan, brought forward by Thomson, Bonar & Co. The nominal amount is £10,000,000 stock interest at the rate of 5 per cent. per annum. The price of issue every £100 stock, the chief guarantee being upon guano, the p the Chinch Islands.

24.—Suspension announced of Messrs. P. Arrowsmith & Co., of Bolton, with liabilities extending to about £200,000.

24.—Failure of Mr. Thomas Carr, manufacturer of Blackburn, £9,000 liabilities.

24.—Stoppage of Mr. Garstang, manufacturer, of Darwen, with liabilities.

24.—Suspension of Messrs. Kenyon and Taylor, of Accrington, manufacturers, with £5,000 liabilities.

24.—The Chancellor of the Exchequer officially announced the rate of interest on Exchequer Bills, payable on and after the 11th next, from 4 to $3\frac{1}{2}$ per cent. per annum.

BANKING OBITUARY.

On the 11th February, at Percy Place, Clapham Road, Mr. J. Wight, of the Provincial Bank of Ireland; youngest son of Mr. Wight, late of the Colonial Bank.

On the 16th of February, Mr. George Charles Cox, many years at the Banking establishment of Messrs. Drummond, Charing Cross.

On the 19th February, at Bruntsfield Place, Edinburgh, Mr. Paul, late of the Commercial Bank of Scotland, Glasgow, in the 4th of his age.

BANK MOVEMENTS.

The South Eastern Banking Company opened a branch at No. 11 Street, Bristol, on the 1st February.

It is officially announced that Mr. John D. Carnegie, of the Bank, who has had 25 years' experience in that establishment, appointed general manager of the Metropolitan and Provincial Bank, is also further intimated that changes in the direction are likely to take place, which will bring names of influence and parties practically acquainted with banking into relationship with the board.

Monetary Intelligence.

REVIEW FOR THE MONTH OF FEBRUARY.

Financial and commercial affairs during the month just past have been unsatisfactory. Although at one period there was a slight pressure in the money market it has latterly been relieved, and the feeling is, if anything, in favour of lower rates. The Bank directors were to reduce the quotation there would be a disposition to encourage ephemeral enterprise, and the result would be a diversion of capital from its legitimate channels. New loan companies are all very well when the available surplus is not small, and the allow of money being thus employed. But when we come to demand for a restoration to trading activity, the absorption of funds is not received with full feelings of pleasure. The Bank has reduced their terms to 4 per cent. on the 9th of February, and the market has since gone to the same figure, so that the principal money markets are lower in their rates by 1 per cent. than we have. If the directors choose to sustain their quotation at 5 per cent. a rise will arise, because it will be imagined that the Court of Directors is pursuing a prudent policy. The rate for first-class paper out at 5 per cent.; six months' bills have been negotiated at 5 and 5½ per cent. Although there may be a pressure in the early days of next month, the consequence of the accumulation of resources, soon passed off without attended with the slightest difficulty. On the Stock Exchange the rates for short loans have varied from 4 to 2½ per cent.; the rate for long loans is about 3 per cent.

The Stock market has been dull throughout the month, and has been gradually declining, and close at a fall of about ¼ per cent. There have been occasionally slight improvements, but they have not been fully sustained. For some days past the Government has been purchasing New Three per Cent. Annuities, and has also been making an extensive purchase of Exchequer Bills; but the terms of the latter have not been accepted. The tone of English money has been, however, steady.

With few exceptions, the dealings in foreign stocks have not been very active. General prices showed an improvement, though not to a great extent. The Confederate Loan and Mexican have been the most fluctuating in the former being caused by the contraband trade in America; but, on the whole, the latest prices were satis-

factory. In Mexican the decline has been about $1\frac{1}{2}$ per cent. ; on the other hand, Peruvian have improved 3 per cent. through the consolidation of the debt. There has been some fluctuation in S

The market for railway shares has experienced severe fluctuations. In instance, a panic has taken place in Great Western and Metropolitan classes were too high, but, after receding 5 to 8 per cent. each, again rallied. The dividends may be considered over now, and retrogression in prices was to be expected.

Bank shares have also fluctuated considerably. The reports respecting some banks, and the amalgamation of others, have caused changes in prices. At the last moment the quotations were Finance and Credit shares have been altogether well supported, and a fair extent of business.

TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month, and twelve months ending 31st of December, were issued on the 23rd February, but as for the month, they do not contrast favourably with previous returns, the year the balance in favour of 1864 is very considerable. The balance on the year is to be attributed to the general satisfaction in trade in nearly all branches, but the falling off in the month may be put chiefly to the transactions in cotton yarn and cotton manufactures, and so long as the war in America continues these items may be subject to present unfavourable aspects. The total declared value of exports for the month of December last was £12,095,437, against £14,000,000 in December, 1863, and £10,807,033 in 1862, which is a decrease on the former period of £2,258,963, but on the latter an increase of £1,192,967. For the year last past the total was £160,436,302, against £150,000,000 in 1863, and £123,992,264 in 1862, which is an increase, as compared with the former period, of £13,833,960, and, as contrasted with the year 1862, of £36,444,038. As regards exports, there has been an increase in the value of the chief articles :—Alkali, arms and ammunition, coal and culm, machinery, wool ; but a decrease in beer and ale, cotton yarn, cotton manufactures, haberdashery and millinery, hardware and cutlery, linen yarn, linens, manufactures, metals, thrown silk, silk manufactures, spirits, and woollen manufactures. With respect to imports, there has been an increase in the value of the chief articles :—Flaxseed and linseed, tallow, cocoa, sugar, tea, and tobacco ; but a decrease in raw cotton, flax and hemp, hides, leather manufactures, salt, silk, wool, woollen manufactures, coffee, spirits, and wine. In cereals there has been an increase in the importation of oats and Indian corn, but a decrease in all other descriptions. In the case of provisions, an increase is shown in eggs and cheese, with a falling off in bacon and ham, and pork, butter and lard. The variations in the chief articles of trade will be found in the subjoined tables :—

EXPORTS.

				1863.	1864.
...	...	...	tons	527,151	659,032
...	...	...	yards	168,859,045	131,876,650
...	...	...	lbs.	7,030,469	6,146,491
millinery	...	...	value £	402,767	326,216
...	...	...	yards	18,268,975	17,582,407
...	...	...	lbs.	3,669,199	2,507,074
...	...	...	tons	21,140	26,928
...	...	...	"	25,600	25,009
...	...	...	cwts.	11,235	11,397
&c.	...	...	"	69,846	62,442
...	...	...	gallons	626,398	852,706
...	...	...	value £	112,494	99,999
...	...	...	lbs.	36,011	30,184
...	...	...	gallons	345,357	135,992
...	...	...	yards	2,110,512	1,822,571
ed yarn	...	...	cwts.	2,421,025	2,133,734

IMPORTS.

				1863.	1864.
...	...	...	lbs.	296,441	508,103
...	...	...	"	16,834,649	8,793,654
...	...	...	qrs.	1,634,954	1,053,631
flour	...	...	cwts.	462,679	222,076
...	...	...	"	1,257,569	1,208,239
...	...	...	"	216,875	166,062
...	...	...	"	171,582	94,905
...	...	...	lbs.	763,820	1,158,149
res	...	...	pairs	812,112	840,020
...	...	...	cwts.	197,610	166,028
...	...	...	"	159,307	160,991
ed	...	...	qrs.	220,344	241,272
...	...	...	lbs.	850,317	657,136
...	...	...	"	18,321	5,114
...	...	...	"	309,049	431,397
...	...	...	gallons	786,255	594,887
...	...	...	cwts.	494,760	915,506
...	...	...	"	302,149	338,001
...	...	...	lbs.	19,752,639	24,865,699
...	...	...	"	14,766,011	22,571,243
...	...	...	gallons	1,583,041	1,129,773
...	...	...	lbs.	21,924,475	20,039,090
res...	...	...	value £	148,596	121,349

THE GRAIN TRADE.

THE same inactivity which has for some time prevailed in the grain trade still continues. There appears but little disposition to operate, except to supply immediate wants, and as the supplies continue ample, particularly of home-grown samples, there is nothing to cause any improvement in prices. Wheat has been in quiet and steady demand. Barley has been taken rather less freely, and oats have been in moderate request. The latest official average prices were:—Wheat, 38s. 4d. per qr.; barley, 29s. 2d. per qr.; and oats, 19s. 1d. per qr.

The Gazette returns for England and Wales have been:—

Week ending, 1865.	Wheat. Qrs. sold.	Weekly Average.	Duty.	Corresponding Six Weeks Last Year.
		s. d.	s. d.	s. d.
Jan. 28	72,510	38 6	1 0	41 3
Feb. 4	83,620	38 4	1 0	40 8
" 11	66,918	38 4	1 0	40 4
" 18	67,929	38 4	1 0	40 8

The importations since the harvest of 1864 have been:—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Twenty-seven weeks ended 21st Jan. ...	9,920,889	12,925,018	22,845,907
Four weeks ended 18th Feb. ...	636,732	1,605,584	2,242,316
	10,557,621	14,530,602	25,088,223

And the weekly averages have been:—

Twenty-seven weeks ended 21st Jan. ...	367,000	479,000	846,000
Four weeks ended 18th Feb. ..	159,000	401,000	560,000
Less	208,000	78,000	286,000

STATE OF TRADE.

THE state of trade has not greatly changed. Some of the cotton speculators at Bolton and in the neighbourhood of Lancashire have suspended through the late fall in the staple. Manufacturing industry, on the other hand, however, is improving, and there are prospects of an increased spring and summer demand. Business in most departments promises to revive.

SPECIAL NOTICE TO CORRESPONDENTS.

We have been compelled, much against our desire, to issue this month another double number, the crowd of meetings to be dealt with, and the interesting nature of the proceedings rendering it impossible to compress them in a single number. The value of the *Bankers' Magazine* as a work of reference must be an excuse for thus appealing to the indulgence of our readers and subscribers. From India, China, and Australia, we have received letters requesting that there may be no omission in this respect, the progress of banking and finance in this country being watched with great anxiety.

Several communications stand over for want of space.

Correspondents will please forward communications addressed to the Editor, No. 8, Birch Lane; subscriptions and orders as usual to Messrs. Groombridge and Sons, Paternoster Row, or Messrs. Waterlow and Sons, Carpenters' Hall, London Wall.

BANKING AND FINANCIAL ANECDOTES.—It will be perceived from notice elsewhere, that the Editor of the *Bankers' Magazine* is collecting and arranging a series of Banking and Financial Anecdotes. Any contributions from subscribers and readers of the *Magazine* will be thankfully received, particularly if the subject-matter shall not have previously appeared in print. Nothing personal or offensive will receive publicity.

The report of the Adelphi Bank was received too late for insertion: it will be published next month.

BANK OF FRANCE.

DEBTOR.

February 2.		February 9.		February 16.		February 23.	
F.	C.	F.	C.	F.	C.	F.	C.
182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
6,994,470	23	7,007,295	24	7,013,359	9	7,016,323	38
22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
812,425,525	0	805,968,575	0	801,801,175	0	785,025,123	0
6,780,382	75	6,246,618	64	5,859,523	42	5,452,251	83
86,605,076	8	86,066,331	16	87,040,909	32	87,432,028	51
115,213,823	1	129,309,601	97	116,517,152	2	124,657,523	75
28,216,804	0	23,730,151	0	23,478,036	0	25,578,311	0
3,240,358	75	2,574,848	75	2,301,653	75	2,102,003	75
4,287,876	46	4,826,873	36	5,251,360	65	5,627,212	81
2,789,444	5	2,789,444	5	2,789,444	5	2,789,444	5
10,925,989	86	9,897,778	50	11,958,471	97	9,101,049	51
1,286,065,500	33	1,287,921,267	81	1,272,417,135	41	1,263,387,025	50

CREDITOR.

February 2.		February 9.		February 16.		February 23.	
F.	C.	F.	C.	F.	C.	F.	C.
318,454,492	94	339,240,543	4	354,573,163	4	371,630,673	19
2,398,519	84	643,554	0	7,673,600	57	507,898	8
322,560,428	27	328,857,708	40	293,239,775	99	289,959,172	50
829,814,862	0	307,446,199	0	305,900,282	0	294,035,026	0
13,908,031	55	12,470,931	55	12,576,931	55	12,067,431	55
4,205,610	0	4,248,210	0	3,935,000	0	3,395,400	0
14,925,600	0	14,584,100	0	14,301,200	0	14,102,000	0
9,222,600	0	9,205,400	0	8,623,600	0	8,303,900	0
28,027,300	0	27,734,900	0	27,809,800	0	27,305,900	0
17,929,050	0	17,573,750	0	16,869,550	0	16,754,350	0
523,400	0	522,800	0	520,500	0	534,200	0
355,850	0	531,150	0	322,150	0	320,550	0
60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14
36,696,737	91	36,696,737	91	36,696,737	91	36,656,737	91
100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
8,408,546	0	8,408,546	0	8,408,595	0	8,408,945	0
208,008	18	221,600	6	223,930	56	460,015	55
6,530,513	50	6,754,389	71	2,801,268	65	5,057,375	58
1,286,065,500	33	1,287,921,267	81	1,272,417,135	41	1,263,387,025	50

FLUCTUATIONS IN ENGLISH AND FOREIGN STOCK RAILWAY SHARES.

	Price on Jan. 28th.	Highest.	Lowest.
ENGLISH FUNDS.			
Consols	89½ to ½	89½	88½
Exchequer Bills	par to 5pm	8 pm	4 pm
FOREIGN STOCKS.			
Brazilian	—	101	100
Buenos Ayres	—	92	90½
Chilian	—	101½	100½
Dutch 2½ per cents.	—	63½	62½
Mexican	28	28½	26½
Peruvian 4½ per cents.	83	86½	81½
Russian	—	92	91
Spanish	47½	48½	47½
Turkish 6 per cents.	91	92	91
Ditto 4 per cents.	99	101	100½
RAILWAY SHARES.			
Brighton	108½	110	103
Caledonian	132½	134	131½
Great Eastern	46½	47½	46
Great Northern	135	135	130½
Great Western	82	83	72½
Lancashire and Yorkshire	117½	118½	116½
London and North Western... ..	123	123½	119½
Midland	139	139½	136½
North Staffordshire	80½	81½	80
South Eastern	88½	88½	85½
South Western	99	99½	98½
York, Newcastle, and Berwick	114	115	111½
York and North Midland	104½	106	102½
East Indian	101	102	100½
Northern of France	—	39½	39½

CREDIT, FINANCE AND DISCOUNT COMPANIES.

	Share.	Paid.	London latest Price.	
Australian Mortgage, Land and Finance (Lim.)	25	3	3	Imperial and Mercantile Credit (Lim.)
Consolidated Discount (Lim.)	50	10	5	International Land Credit
Contract Corporation (Lim.)	100	5	3½	Joint Stock Discount (Lim.)
Credit Foncier of Mauritius (Limited)	50	10	...	Land Credit of Ireland
Credit Foncier and Mobilier of England	20	5	9	Land Securities
Ditto	20	3½	7	London Financial Associa- tion (Lim.)
Discount Corporation (Lim.)	100	20	16½	London Mercantile Discount
East India Financial	50	7½	5	Mauritius Land, Credit and Agency (Lim.)
Egyptian Commercial and Trading	20	4	4½	National Discount Co. (Lim.)
English and Foreign Credit Financial Corporation	50	7½	5	National Financial (Lim.)
Financial Discount (Lim.)	50	10	3½	Oriental Financial
General Credit and Finance of London (Lim.)	23	4	6½	Ottoman Financial Associa- tion (Lim.)
International Financial Society (Lim.)	20	5	6½	Société Financière d'Égypte (Lim.)
International Contract	50	10	8½	South African Mortgage and Investment (Lim.)
				Warrant Finance (Lim.)

JOINT-STOCK BANKS.

	London latest Prices				London latest Prices		
	Share.	Paid.			Share.	Paid.	
	£	£	£		£	£	£
London Bank of Mexico and South America (Limited)	100	50	128	London Bank of Scotland (Lim.)	50	10	9½
London and Brazilian Bank	50	25	61	London and Birmingham & Sth. Staffordshire (Limited)	100	13	7½
London, Buenos Ayres and River Plate, Limited	50	10	8	London Chartered of Australia	100	40	45xd
Ditto, New, issued at 1½ pm.	100	25	38	London and County Bank	100	23	16
London Chartered of Australia	100	10	22½	Ditto, New, issued at 1½ pm.	100	40	47
London and County Bank	20	6	7½	London, Hamburg, Cont. Exchange (Lim.)	25	10	11½
London, Hamburg, Cont. Exchange (Lim.)	50	10	8½	London Joint Stock Bank	20	29	23½
London Joint Stock Bank	40	40	74½	London & South African Bk.	50	20	74½xd
London & South African Bk.	35	25	31½xd	London and South Western (Limited)	100	18	10½
London and South Western (Limited)	100	50	153	London and Venezuela (Lim.)	50	15	47½
London and Venezuela (Lim.)	20	6	5½	London & Westminster Bank	20	20	21½
London & Westminster Bank	100	25	21½	Merchant Bank (Limited)	100	20	21½
Merchant Bank (Limited)	50	7½	5½	Mercantile Exchange (Lim.)	100	25	33
Mercantile Exchange (Lim.)	100	20	15xd	Mercantile Exchange (Lim.)	50	10	7½
Mercantile Exchange (Lim.)	100	10	17	Metropolitan and Provincial Bank, Limited	100	20	19½
Metropolitan and Provincial Bank, Limited	50	25	39	Ditto, New	100	10	10
Ditto, New	20	10	10½	Midland Bank (Limited)	100	20	18½
Midland Bank (Limited)	50	50	45	National Bank	50	30	98xd
National Bank	20	15	17½	Ditto, New	50	20	85½
Ditto, New	25	25	58	National of Liverpool (Lim.)	100	10	17½
National of Liverpool (Lim.)	100	60	118	National Provincial Bank of England	100	42	157
National Provincial Bank of England	100	25	42	Ditto, New	20	12	...
Ditto, New	20	20	...	Ditto, ditto	20	12	46
Ditto, ditto	25	25	...	New South Wales	20	20	43
New South Wales	25	25	29	New Zealand Bank Corpora- tion (Limited)	10	1	1½
New Zealand Bank Corpora- tion (Limited)	25	25	...	Ditto, New	10	1	...
Ditto, New	10	4	11	North Western	20	5	9
North Western	100	25	18	Oriental Bank	25	25	58
Oriental Bank	100	15	8½	Do. New, issued at 20 pm.	25	25	...
Do. New, issued at 20 pm.	50	5	5½	Provincial Banking Corpo- ration	50	5	3½xd
Provincial Banking Corpo- ration	20	5	4½xd	Provincial Bank of Ireland	100	25	87
Provincial Bank of Ireland	20	20	10½	Ditto, New	10	10	...
Ditto, New	50	15	13	Scinde, Punjab and Delhi (Limited)	20	10	11
Scinde, Punjab and Delhi (Limited)	100	25	29	Ditto, issued at 2 pm.	20	2	...
Ditto, issued at 2 pm.	100	23	25	South Australian	25	25	34½
South Australian	100	10	10½	South Eastern (Lim.)	25	10	10½
South Eastern (Lim.)	100	20	32	Standard of British Africa (Limited)	100	25	24
Standard of British Africa (Limited)	20	10	17½	Ditto ditto	100	25	24½
Ditto ditto	25	25	27	Do. New, issued at 8 pm.	100	10	9
Do. New, issued at 8 pm.	25	5	6½	Union Bank of Australia	25	25	54
Union Bank of Australia	20	4	5	Union Bank of Ireland, Lim.	100	22	19
Union Bank of Ireland, Lim.				Union Bank of London	50	15	52½
Union Bank of London							

Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follow

ISSUE DEPARTMENT.

	1865. Feb. 1.	1865. Feb. 8.	1865. Feb. 15.	1865. Feb. 22.
	£	£	£	£
Notes issued	28,384,365	28,421,230	28,432,415	28,417,181
Government debentures	11,015,100	11,015,100	11,015,100	11,015,100
Other securities	3,634,900	3,634,900	3,634,900	3,634,900
Gold coin and bullion	13,734,365	13,771,230	13,782,415	13,763,181
Silver bullion				
	28,384,365	28,421,230	28,432,415	28,417,181

BANKING DEPARTMENT.

	1865. Feb. 1.	1865. Feb. 8.	1865. Feb. 15.	1865. Feb. 22.
	£	£	£	£
Proprietors' capital	14,553,000	14,553,000	14,553,000	14,553,000
Rest	3,514,283	3,608,953	3,619,136	3,612,415
Public deposits (Including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	5,541,452	6,252,892	6,572,512	6,663,300
Other Deposits	14,447,994	13,814,063	13,969,659	14,140,800
Seven day and other bills	460,428	463,950	464,658	463,415
	38,523,157	38,692,858	39,178,965	39,434,300
Government Securities (including Dead Weight Annuities)	11,023,211	11,023,211	11,023,211	11,023,211
Other Securities	18,920,772	18,787,891	18,856,938	18,790,215
Notes	7,852,315	8,141,375	8,407,310	8,753,800
Gold and Silver coin	726,859	740,381	771,456	837,000
	38,523,157	38,692,858	39,178,965	39,434,300

THE EXCHANGES.

	Feb. 3.	Feb. 10.	Feb. 17.	Feb. 24.
Amsterdam, short	11 15	11 15	11 15½	11 16
Ditto 3 months	11 18	11 18½	11 18½	11 19
Rotterdam, ditto	11 18	11 18½	11 18½	11 19
Antwerp, ditto	25 50	25 50	25 50	25 50
Brussels, ditto	25 50	25 50	25 50	25 50
Hamburg, ditto	13 7½	13 7½	13 7½	13 7½
Paris, short	25 20	25 20	25 20	25 20
Paris, 3 months	25 47½	25 50	25 45	25 45
Marseilles, ditto	25 50	25 50	25 47½	25 47½
Frankfort, ditto	119½	120½	120½	120½
Vienna, ditto	11 67½	11 60	11 65	11 65
Trieste, ditto	11 67½	11 60	11 65	11 65
Petersburgh, ditto	30½	30½	30½	30½
Madrid, ditto	47	47	47	47
Cadiz, ditto	47	47½	47	47
Leghorn, ditto	25 62½	25 62½	25 60	25 60
Milan	25 62½	25 62½	25 60	25 60
Genoa, ditto	25 62½	25 62½	25 60	25 60
Naples, ditto	25 62½	25 62½	25 60	25 60
Palermo, ditto	25 62½	25 62½	25 60	25 60
Messina, ditto	25 62½	25 62½	25 60	25 60
Lisbon	51½	51½	51½	51½
Oporto	51½	51½	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard) ...	3 17 9	3 17 9	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0	0 0 0	0 0 0
Silver in Bars (Standard)	0 0 0	0 0 0	0 0 0	0 0 0

rs' Weekly Circulation Returns.

at 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Jan. 14.	Jan. 21.	Jan. 28.	Feb. 4.
	£	£	£	£	£
.....	11,849	11,472	11,597	11,333	11,820
k.....	48,461	23,179	23,867	23,570	23,115
eswade Bank ...	37,223	18,436	18,696	19,883	20,059
.....	17,182	3,730	3,605	3,420	3,211
.....	34,218	28,962	28,857	28,487	28,503
dshire Bank ...	27,090	14,650	14,477	13,947	14,092
Attwoods & Co.	23,695	21,746	21,552	20,897	19,041
pons and Co....	75,069	69,105	68,504	66,545	64,325
and Co.....	15,161	14,994	14,646	14,317	14,256
.....	10,028	5,811	6,434	6,328	6,072
.....	48,277	21,897	22,273	21,008	20,725
enorth Bank ...	26,717	15,293	...	15,459	14,892
.....	29,557	19,806	19,881	19,400	19,718
Bank.....	82,362	51,723	51,419	50,349	52,447
.....	43,457	25,328	26,485	25,432	24,643
.....	55,153	19,647	20,943	19,633	19,321
ton Buzzard Bk.	36,829	34,623	34,347	35,326	35,579
Lloyds & Co. ...	38,816	28,239	28,701	27,579	27,804
.....	68,271	45,009	43,783	42,407	42,798
nk.....	33,794	23,569	24,045	23,541	23,658
ttfield Bank.....	12,745	12,457	11,654	11,349	11,035
Bank.....	3,201	3,082	3,506	3,054	2,594
ortlock & Co.	25,744	13,724	14,181	13,373	13,425
abridgeshire Bk.	49,916	41,780	40,244	39,229	39,879
.....	33,671	30,345	29,545	28,803	28,892
.....	23,597	15,821	15,778	14,200	14,084
.....	3,436	3,101	3,112	2,954	3,156
.....	25,082	17,389	17,065	17,587	18,094
ex Bank.....	48,704	31,192	31,295	30,689	30,796
eedy & Co. ...	49,869	29,673	28,640	28,408	28,850
.....	12,045	5,149	4,950	5,297	5,302
.....	21,527	15,818	16,276	16,270	16,356
ocks & Co. ...	77,154	66,620	65,793	66,243	65,773
k.....	9,387	6,547	7,009	6,982	7,556
rs. Evans & Co.	13,332	10,851	10,076	10,201	10,591
h and Co.	41,304	32,888	30,782	29,243	29,099
.....	27,237	27,670	28,729	26,745	25,186
ire Bank	20,674	6,515	6,740	6,610	6,654
.....	10,657	9,873	10,548	9,992	10,070
d Retford Bank	77,400	58,342	60,721	61,957	64,233
.....	86,218	83,813	85,278	84,505	82,259
.....	10,664	7,156	6,936	6,617	6,462
nk.....	48,807	35,935	36,758	37,140	36,783
-Robins & Co.	112,280	88,671	88,040	88,028	86,410
-Bower & Co.	53,392	52,405	53,227	52,097	51,367
's Stortford Bk.	69,637	36,577	37,005	36,412	37,570
.....	37,894	21,383	23,048	22,750	21,811
.....	14,202	6,220	5,977	5,770	6,423
.....	6,681	6,015	5,486	5,367	5,185
.....	6,322	4,885	4,894	5,318	5,371
.....	14,524	10,887	10,545	9,714	10,278
Hardy and Co..	30,372	24,791	23,699	24,673	24,142
on-Hull Bank	19,979	19,149	18,006	18,886	20,068
& County Bank	56,591	34,749	35,350	37,071	35,236
.....	5,778	...	5,085	5,109	5,275
hin Bank	38,764	31,951	33,175	33,039	33,747
.....	21,901	20,174	20,000	20,220	20,969

NAME OF BANK.	Authorized Issue.	AVERAGE	
		Jan. 14.	Jan. 21.
	£	£	£
58 Ipswich & Needham Market Bank	80,699	55,343	54,524
59 Kentish Bank—Mercer & Co. ...	19,895	17,461	18,707
60 Kington and Radnorshire Bank...	26,050	18,217	18,169
61 Knaresborough Old Bank	21,825	20,035	19,701
62 Kendal Bank	44,663	39,665	40,125
63 Longton Staffordshire Bank	5,624	5,125	5,149
64 Leeds Bank	53,357	55,773	53,470
65 Leeds Union Bank	37,459	35,022	37,333
66 Leicester Bank.....	32,322	26,679	26,427
67 Lewes Old Bank	44,836	30,506	32,143
68 Lincoln Bank	100,342	89,457	90,933
69 Llandovery Bank & Llandilo Bank	32,945	11,799	11,333
70 Loughborough Bank	7,359	7,129	7,063
71 Lymington Bank.....	5,038	3,374	3,891
72 Lynn Regis and Lincolnshire Bank	42,817	30,366	30,868
73 Lynn Regis and Norfolk Bank ...	13,917	12,722	11,964
74 Macclesfield Bank	15,760	12,778	13,133
75 Manningtree Bank	7,692	5,705	...
76 Merionethshire Bank	10,906	7,316	6,543
77 Miners' Bank	18,688	18,844	19,026
78 Monmouthshire Agricultural and Commercial Bank	29,335	30,965	27,913
79 Monmouth Old Bank	16,385	3,665	4,026
80 Newark Bank	28,788	21,705	21,848
81 Newark and Sleaford Bank	51,615	45,337	46,033
82 Newbury Bank.....	36,787	13,492	14,468
83 Newmarket Bank.....	23,098	17,062	17,011
84 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	47,877	49,303
85 Norwich and Norfolk Bank	105,519	82,555	82,666
86 Nottingham & Nottinghamsh. Bk.	10,866	7,772	7,677
87 Naval Bank, Plymouth	27,321	23,977	24,530
88 New Sarum Bk.—Pinckneys, Bros.	15,659	7,892	7,657
89 Nottingham Bank	31,047	24,200	24,055
90 Oswestry Bank	18,471	9,141	9,239
91 Oxford Old Bank.....	34,391	32,172	32,401
92 Old Bank, Tonbridge	13,183	10,829	10,995
93 Oxfordshire Witney Bank	11,852	9,107	9,272
94 Pease's Old Bank, Hull	48,807	45,931	46,873
95 Penzance Bank	11,405	9,632	8,985
96 Pembrokeshire Bank	12,910	10,760	10,019
97 Reading Bank—Simonds & Co....	37,519	25,782	27,249
98 Reading Bk.—Stephens, Blandy & Co.	43,271	28,465	28,578
99 Richmond Bank, Yorkshire	6,889	5,626	5,820
100 Rochdale Bank	5,590	1,460	1,764
101 Royston Bank	16,393	10,185	9,876
102 Rugby Bank	17,250	9,573	10,583
103 Rye Bank	29,864	12,087	12,170
104 Saffron Walden & North Essex Bk.	47,646	22,723	23,119
105 Salop Bank	22,338	10,815	10,714
106 Scarborough Old Bank	24,813	23,088	23,692
107 Shrewsbury Old Bank.....	43,191	34,238	33,479
108 Sittingbourne and Milton Bank ..	4,789	3,534	3,562
109 Southampton Town & County Bk.	18,589	11,054	10,794
110 Southwell Bank	14,744	8,664	8,831
111 Southampton and Hampshire Bk.	6,770	2,441	2,224
112 Stafford Old Bank	14,166	13,787	13,756
113 Stamford and Rutland Bank	31,858	18,430	18,358
114 Shrewsbury and Welsh Pool Bank	25,336	20,461	21,800
115 Taunton Bank	29,799	20,739	21,223
116 Tavistock Bank	13,421	10,073	9,771

BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Jan. 14.	Jan. 21.	Jan. 28.	Feb. 4.]
	£	£	£	£	£
.....	10,026	6,838	7,343	7,145	6,859
.....	13,470	11,505	11,303	10,475	10,688
.....	11,559	11,444	10,755	11,470	11,925
.....	13,531	12,704	13,745	13,492	13,108
.....	10,801	5,794	5,838	5,658	5,907
.....	17,003	16,540	16,608	15,994	16,677
.....	25,136	8,287	8,390	8,620	8,809
.....	17,064	5,580	6,368	6,320	6,249
.....	30,504	18,888	19,350	18,980	18,239
.....	6,528	2,584	2,589	2,399	2,298
.....	46,158	39,229	40,236	41,162	41,705
.....	14,258	14,160	14,027	14,104	13,986
.....	25,892	11,169	...	11,158	11,022
.....	16,461	16,422	16,283	17,082	15,886
.....	37,602	35,561	34,041	34,451	35,492
.....	59,713	37,670	37,990	37,845	37,665
.....	7,602	4,490	4,313	4,000	3,351
.....	87,448	52,152	52,936	51,846	50,896
.....	11,867	10,303	10,713	10,652	9,948
.....	53,060	42,808	42,996	41,640	41,906
.....	13,229	11,350	10,723	10,634	10,255
.....	46,387	38,796	38,974	38,318	39,155

JOINT STOCK BANKS.

.....	12,225	10,452	10,739	10,234	10,437
.....	9,563	8,790	8,898	8,839	9,032
.....	49,292	48,023	49,019	49,787	49,663
.....	9,418	9,343	8,931	8,108	8,203
.....	32,681	27,455	28,788	29,165	30,433
.....	20,084	...	20,780	19,642	19,156
.....	60,701	50,752	48,575	45,429	45,441
.....	10,421	8,556	8,785	8,897	9,738
.....	35,395	32,524	32,027	30,397	27,261
.....	28,734	15,949	16,230	15,914	14,766
.....	16,251	12,525	13,990	13,118	12,970
.....	144,352	102,921	103,010	102,375	101,110
.....	25,610	24,201	24,075	24,265	24,142
.....	19,972	20,152	19,741	19,881	19,960
.....	37,696	31,720	32,449	30,841	29,173
.....	20,093	19,065	19,082	18,698	18,786
.....	26,134	20,730	20,367	20,292	20,170
.....	155,920	134,899	136,517	134,773	136,475
.....	18,534	16,445	16,984	16,534	16,285
.....	37,354	34,764	36,271	34,758	34,339
.....	29,333	28,570	28,408	27,463	27,594
.....	13,733	11,561	12,156	12,253	11,813
.....	44,137	36,870	38,556	38,356	36,695
.....	1,503	1,499	1,525	1,495	1,490
.....	28,059	24,004	24,429	24,681	24,279
.....	64,311	52,929	52,561	51,779	54,650
.....	86,060	58,495	59,984	60,760	60,674
.....	51,620	49,485	49,170	48,909	48,474
.....	13,875	10,870	10,701	10,899	10,890
.....	10,215	8,015	8,461	8,525	7,734
.....	35,813	26,321	26,461	25,436	27,861
.....	29,477	...	25,613	25,909	25,178
.....	442,371	413,114	411,189	402,025	395,570
.....	63,939	38,780	38,657	37,703	38,430

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT		
		Jan. 14.	Jan. 21.	Jan. 28.
	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	61,852	62,475	62,475
36 Northamptonshire Banking Co. ...	26,401	19,575	19,720	19,720
37 North and South Wales Bank	63,951	57,330	56,190	56,190
38 Pare's Leicestershire Banking Co...	59,300	53,987	54,105	54,105
39 Saddleworth Banking Company ...	8,122	335	335	335
40 Sheffield Banking Company	35,843	36,375	37,207	37,207
41 Stamford, Spalding & Boston Bk. Co.	55,721	47,195	48,224	48,224
42 Stuckey's Banking Company	356,976	300,922	302,120	302,120
43 Shropshire Banking Company	47,951	38,874	39,098	39,098
44 Stourbridge and Kidderminster Bk.	56,830	53,596	55,119	55,119
45 Sheffield and Hallamshire Bank ...	23,524	22,098	23,081	23,081
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	49,963	50,076	50,076
47 Swaledale and Wensleydale Bank..	54,372	47,570	48,311	48,311
48 Wolverhampton & Staffordsh. Bk..	35,378	30,404	31,200	31,200
49 Wakefield and Barnsley Union Bk.	14,604	14,830	14,806	14,806
50 Whitehaven Joint Stock Bank ...	31,916	22,250	23,066	23,066
51 Warwick and Leamington Bk. Co.	37,124	26,962	26,547	26,547
52 West of Eng. & S. Wales District Bk.	83,535	80,492	80,419	80,419
53 Wilts & Dorset Banking Company	76,162	73,071	74,358	74,358
54 West Riding Union Banking Co...	34,029	35,310	33,517	33,517
55 Whitchurch and Ellesmere Bk. Co.	7,475	5,310	5,064	5,064
56 Worcester City and County Bk. Co.	6,848	3,842	...	...
57 York Union Banking Company ...	71,240	70,703	71,014	71,014
58 York City and County Banking Co.	94,695	90,107	90,384	90,384
59 Yorkshire Banking Company	122,532	120,780	121,700	121,700

Irish and Scotch Circulation Return

*Average Circulation, and Coin held by the IRISH and SCOTCH BANKS
weeks ending Saturday, the 4th day of February, 1865.*

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during Four Weeks ending as above.		
		£s and upwards.	Under £s.	Total
	£	£	£	£
Bank of Ireland	3,738,428	1,408,475	1,076,050	2,484,525
Provincial Bank of Ireland	927,667	377,764	486,161	863,925
Belfast Bank	281,611	110,073	310,536	420,609
Northern Bank	243,440	86,805	265,299	352,604
Ulster Bank	311,075	153,322	325,330	478,652
The National Bank	852,269	547,287	566,606	1,113,893
TOTALS (Irish Banks) ...	6,354,494	2,683,726	3,029,982	5,713,708

SCOTCH BANKS.

Bank of Scotland	300,485	168,042	298,664	466,706
Royal Bank of Scotland ...	216,451	189,512	318,129	507,641
British Linen Company	438,024	162,993	302,573	465,566
Commercial Bk. of Scotland	374,880	185,202	342,419	527,621
National Bank of Scotland..	297,024	161,720	286,242	447,962
Union Bank of Scotland ...	454,346	203,224	376,485	579,710
Aberdeen Town and Co. Bk.	70,133	53,582	74,741	128,323
North of Scotland Bk. Co...	154,319	93,172	104,215	197,387
Clydesdale Banking Co. ...	274,321	132,503	221,047	353,551
City of Glasgow Bank	72,921	139,192	224,442	363,634
Caledonian Banking Co. ...	53,434	19,835	47,720	67,555
Central Bank of Scotland...	42,933	19,346	32,573	51,919
TOTALS (Scotch Banks)...	2,749,271	1,528,323	2,629,250	4,157,573

WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Jan. 14.	Jan. 21.	Jan. 28.	Feb. 4.
...	£4,212,786	£3,091,298	£3,105,176	£3,058,233	£3,041,927
...	3,226,357	2,800,426	2,815,633	2,786,998	2,749,299
...	7,439,143	5,891,724	5,920,809	5,845,231	5,791,226

... of these Banks for
 4th :— ... £3,074,169
 ... 2,783,089
 ... of Private
 ending as ... £5,862,248
 ... above with the Returns
 ... last, it shows :—
 ... of Private ... £114,792
 ... Joint-Stock ... 50,649
 ... th ... £165,441

And as compared with the month ending
 February 6th, 1864, it shows :—
 A decrease in the notes of Private
 Banks, of £130,598
 A decrease in the notes of Joint-Stock
 Banks, of 110,427
 Total decrease, as compared with the
 same period of last year £241,025
 The following is the comparative state of the
 circulation as regards the fixed issues :—
 The Private Banks are below their
 fixed issues £1,138,627
 The Joint-Stock Banks are below their
 fixed issues 438,268
 Total below their fixed issues £1,576,895

IRISH & SCOTCH RETURNS TO FEBRUARY 4, 1865.

The fixed issues of the Irish and Scotch Banks at the present time are given in the <i>Banking Almanac</i> , as follows:—	
4 Banks in Ireland, allowed to issue...	£6,354,404
12 Banks in Scotland, allowed to issue	2,740,271
18 Banks in all, allowed to issue	£9,103,765
The following appears, therefore, to be the comparative state of the circulation:—	
Irish Banks are below their fixed issue	£640,786
Scotch Banks are above their fixed issue	1,408,305
Total above the fixed issue	£767,519
The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—	
Gold and Silver held by the Irish Banks	£2,132,490
Gold and Silver held by the Scotch Banks	2,385,119
Total of Gold and Silver Coin	£4,517,609
Being a decrease of £83,923 on the part of the Irish Banks, and an increase of £7,000 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.	

OF THE UNITED KINGDOM TO FEBRUARY 4, 1865.

State of the Note Circulation of the United Kingdom for the month ending

Month ending 4th February, as compared with the previous month:—				
ending Feb. 1)	Jan. 7.	Feb. 4.	Increase.	Decrease.
£19,321,117	£20,467,762	1,146,645	—	—
2,959,367	3,074,159	114,792	—	—
2,737,440	2,788,089	50,649	—	—
25,017,924	26,330,010	1,312,086	—	—
4,325,601	4,157,576	—	168,015	—
5,061,026	5,713,708	52,682	—	—
£35,004,541	£36,201,294	£1,364,768	168,015	—

The month ending Feb. 6th, 1864, with the month ending Feb. 4th, 1865, the Bank of England circulation of £295,733, a decrease in Private Banks of Joint-Stock Banks of £110,427; being a total decrease in England of £536,768: is an increase of £70,148; and in Ireland an increase of £40,483. Thus ending 4th Feb., as compared with the same period last year, presents a ... and a decrease of £417,127 in the United Kingdom.
 In the Bank of England, for the month ending Feb. 1st, gives an ... departments of £14,301,014. On a comparison of this with the Return for ... there appears to be an increase of £144,755; and an increase of £1,008,972 in period last year.
 ... by the Banks in Scotland and Ireland during the month ending 4th ... a decrease of £70,923 as compared with the Return of the previous month, ... as compared with the corresponding period last year.

[illegible]

RAILWAY SHARES.—(February 25th, 1865.)

[illegible]

BANKERS' MAGAZINE,

AND

Journal of the Money Market.

APRIL, 1865.

THE THEORY OF BLIND TRADING.

is a colloquial phrase, which may be applied to practices, and to certain personal acts of business of which are positive, and some negative. It is in everyday use, especially in what are known as hard cases. A man who has just passed, is, we are told, going it strong; a man, we are told, does not know what he is doing. A man who is to know, is in deep waters; Andrew, messing; a man who is changing cheques, offering unknown names on his cheque, is giving and buying right and left. That it is a blind trade, taken in a literal sense is obvious, from the fact that successful men of business have in reality been told of such some curious things have been told. He who is blind to the sense of smell. He who is blind to the perfume of his clothes. The blind man of business accepting the perfume as the clue to the suitability of the applicant, proceeded to question him in a following manner: "Pray, young gentleman, how do you know anything of history? How often have you been on Hampstead Heath, and on the top of Shooter's Hill? Was it for the young gentleman if he had been on the top of Shooter's Hill, times without number on Hampstead Heath, and could recount the incidents of the Duke of Wellington. The blind man immediately concluded that he was a proper young man, in addition to bestowing care on his outward appearance, not unmindful of his health, nor of his intellectual improvement. Unfortunate was it for the young gentleman if he had not his only care. The blind man of business at last gave him the admonition that a fashionable young

gentleman is always a dangerous one, unless his mind is by pursuits calculated to maintain the ascendancy of his sense.

One of the most striking and, at the same time, most common forms of blind trading is that which presents to the mind, when we reflect on a practice scrupulously by all safe bankers, and seldom or ever thought of in the walks of commerce. The safe banker has his eyes open merely open, but they are upon the past and future, as well as the present. With most men of business there is no conception of the past, and the future does not trouble them. The retirement of acceptances which fall due on the 4th. With most men of business the present is the only care. "Eat, drink, and be merry," and "sufficient for the day is the evil thereof," are standard business maxims from the circumference of the six or twelve mile circle. The troubles are sufficiently trying without possible aggravation. Andrew's rule has been to leave his business to the counting-house, and enjoy himself at home with his family. John is at the Bay Tree at seven o'clock with his Scotch and pipe; Thompson at the opera with his cousin's acquaintances; and Brown at the Holborn or in the Haymarket with his young friends. So pass the weeks, months, and years. If the balance at the bank is small, there must be sales or work done, some one drawn on, and the amount must be paid. And should the balance at the bank be large, pressing bills are paid, personal tastes are gratified, and the surplus may be, are taken in some new enterprise. The mind soars above the present; the rainy day or the time of need as it is more often called, is put out of sight, or at least out of thought of and provided for in an intelligent and consistent manner, as a matter of duty, and as a matter of course.

Safe banking presents to blind trading an invaluable lesson from which, however, it does not profit. A banker with £10,000, £50,000, or £100,000 in excess of his demands which are likely to be made upon him, does not look to the supplement of the paper in hand to find out how much of the street of weekly-tenant tenements may be bought cheaply, how a coal mine may be secured for less than its real value, how money may be advanced on debentures or on mortgage deeds which would be highly profitable. He never looks at the supplement of the paper. He buys no tenements, secures no coal mine, and is proverbially indifferent to the seductive offers of high-rate debentures and mortgage deeds. His rule is

and on readily convertible securities, or to buy
ible securities. His rule is to subordinate the
uture ; to provide against all possible eventual-
words, he does not trade to the full extent of
ing so, he does not spread all the canvas that he
r weather gale, but holds his hand, but denies
continuously apprehensive of reefs, rocks, and
a word, he is a man of moderation, and his
ong and will long be rewarded by its satisfactory
results. The judicious banker extends his arm
can be readily drawn back again. He is a man
of fancies, and before his eyes are the whole-
the slights, distrusts, and miseries to which
ankrupts are long subject, even although they
and retrieve their character.

s going it blind, is a well known ship-builder.
ess with a fair amount of borrowed capital, and
ays been full of work. Moreover he has always
ighest prices going, owing to his presumed
dge of his business. And, to do him justice, he
asive tastes, but has lived below and not above
e world. Still he is going it blind. His short-
summed up in the single sentence, that he is
bankers and trusting to his clerks instead of
self. Were he to trust to himself he would
ble of his bankers, and be himself an example to
would keep within business bounds, and in doing
what he is about. He would be in the position
a shortened sail and struck topmasts when the
d not like the ship which is wholly unprepared.
re the tempest instead of making shipwreck.

no does not know what he is doing, and the
pers of the same kind, the points of difference
g to be named. They have no reserve ; behind
no prop to withstand an approach, a mere
ssure. Like green brick walls their only chance
being undisturbed until the mortar takes hold
words, some fortuitous circumstance has put
And it is their misfortune to be in this state
ng time some fortuitous circumstance should
to save them. To put them in funds to-day,
hem destitute to-morrow. It is beyond them to
e right use of means, of goods, of credit, is less
tion of a boundless business appetite, and less in

disporting one's self in the sunshine, than in holding head, and in flourishing when others droop or become dy. The extent of a business man's dealings is of infinite importance to himself or to his creditors than the profit accrues from his transactions, whether those transactions be few or many.

But, it will be replied, a banker and a merchant can be expected to act on the same principles, and to be guided by the same rules. Why not? The one deals in money which belongs to other people, and the other deals in merchandise which belongs to other people. Call, therefore, the money merchant a banker, and there is no longer the pretence of a distinction between the two. Both, in truth, are traders, and the bankers are yet, the only systematic and prudent traders. They are the only class in whom blind trading is the exception, and safe trading is the rule. And it is remarkable that the exceptions in banking produce an amount and intensity of reputation when collapse occurs, which is unknown in the blackest times of every-day business failure, as if the one were more or less venial than the other.

That blind trading multiplies transactions, and safe trading restricts them, is quite true; but, as blind trading is universally deplored, its curtailment instead of being a loss, would be a sure economic gain. Brown, Thompson, and the others, convene meetings of their creditors, and, as they are not paid, Brown, Thompson, and the others, may be presumed to have no more than they ever had, while their creditors may receive a dividend, or none whatever, to whose hands, then, the spoil be traced? It can positively be traced to no man's hands, and it is only a convenient fiction to affirm that the community at large enjoy the advantage of buying cheaper. The community at large, indeed, cannot in the nature of things be benefited by the collapse incident to blind trading, or by the collapse of any kind. That safe trading would not be so detrimental to the great body of adventurers is also quite true, but it only proves the desirability of the change. Blind trading is disreputable to all concerned; to those who practise it, at the best it is a mere makeshift means of subsisting on the merchandise of others; and to those who sanction it, there is no excuse for the toleration of such trading. The presence of the fact that safe banking is not unprofitable, although an unemployed and available reserve is kept in hand, neither would safe general business prove in the least unprofitable, were the dead stock of the firm, the warehouse,

by certificates, or exchequer bills, in the
t-book, or in his strong room.
al business on the same footing as safe bank-
are required. In the first place, we must
of blind trading from what has been the
and be as exacting with the general trader
ent with the banker. In the second place, in
bankruptcy investigations, the rule should be
in the main prudence consists in not being
ercy of the discount rate of the Bank of Eng-
prudence in the main consists in falling at the
ings of what is known as the Bank screw. He
w that to the best of his ability he has provided
l circumstances, who has not put all his eggs
no has not set his fortune upon a cast, should
from the man who has been blindly trading.
, is an honest man, worthy to be upheld and
he other is not. By and by the latter will not
al punishment for mere improvidence. His
ld, as a substitute, consist in exclusion from
rudent men of business. When that has been
ve intelligently distinguished between impro-
fortune, there will be some hope of the reproach
weighed on general business being removed.
should then be as safe as judicious banking is
as in judicious banking, it should then be pro-
s would attend all business undertakings, rather
as at present should attend them. At present
s erroneously and scandalously on the side of

C OUTLINES OF AMERICAN FINANCE.

No. XIV.

ex announced, in a message to Congress, that
the Treasury had directed the deposits of the
to be removed from the national bank, and
state banks designated by him. He then de-
national bank in terms of extreme severity,
h attempting to influence the election of the
y means of money, and, in violation of its
its funds by formal resolution at the disposal

of the President, to be employed in sustaining the power of the bank." He charged the directors with injuring trade by refusing to discount freely, though the unprecedented amount of bullion in their cellars. He accused them of bribing the newspapers to attack the bank. Finally, he declared that he would have "ordered a suspension of the charter of the bank, if it were not that the charter itself would expire as soon as a decision could probably be obtained from the court of last resort." It is evident that the design of the President was to ruin the credit of the bank; and it is not extraordinary that it could have sustained itself against his hostility. To reproach it with curtailing its discount, as the means of granting them were taken away, was a insult to injury: and the English reader, unacquainted with the under-currents of American politics, must be astonished at the conduct of the President, and excusable in suspecting that the story is misrepresented. But the difficulty is solved by supposing to be an axiom in the United States that the emoluments of office are regarded as the rightful spoils of the victorious party. The first Bank of the United States was called into existence by the Federalists; but when their power declined, that bank was re-chartered. The second bank, equally with the first, was a political and monetary organisation, and they who were influential at electioneering secured shares in the bank. Its real founders remained in power till 1829, when the democrats became dominant, and selected Andrew Jackson their chief. We have seen how he rewarded his adherents when installed President, conferring all offices with patronage on his adherents, in reward for their votes. He was compelling those who held them, though their conduct was irreproachable. Now the bank was the greatest obstacle to his policy. The friends of General Jackson were well aware of its utility. They had no real intention, when first excited by prejudice against it, to supersede such an institution by a national bank; they merely desired to destroy the existing bank, and replace it by another under the control of the Jackson party. They felt it prudent to conceal their designs from their opponents would triumphantly have replied, "It is wiser to continue an old and tried establishment, which has worked well, than venture on a fresh experiment, which may create a new list of stockholders. But the tortuous policy of the government defeated itself, for though it had been a matter to inflame the passions of the sovereign people, the bank, it was beyond the power of the agitators to destroy."

them into any channel which did not lead to activeness. Hence General Jackson ultimately against the entire banking system, as so radically to be tolerated under any modifications. *De-ago* became his creed.

of the bank were roused to resistance, and a resolution on the President was moved in the Senate on November, 1833, by Mr. Clay, which, after protracted discussion, was modified in the following terms, and adopted on March 10, 1834. "That the President, in the late execution of his authority in relation to the public revenue, has assumed authority and power not conferred by the constitutional laws, in derogation of both." This vote was carried by a majority of 20, against which the pugnacious President entered his protest on the 15th April, 1834. He then laid down the following principles:—

Executive power, subject to the qualified negative of the Senate, is vested in the Congress of the United States, the Senate and the House of Representatives. The power is vested in the President, except that in the making of treaties and in certain appointments to office he must have the advice and consent of the Senate. The power is vested exclusively in the supreme and other courts of the United States, except in cases of impeachment, for the executive power is vested in the House of Representatives, and that of hearing and determining in the Senate. Each of the three great departments is independent in its sphere of action."

His defence on these clearly constitutional distinctions Jackson contended that "the resolution of the House was unauthorized by the constitution. It assumes that a branch of the legislative department may, for the purpose of public censure, and without view to legislation or to the taking up, consider, and decide upon the official conduct of the Executive. The Senate can only decide upon the removal of the President when he is impeached, and he can only be removed by the House of Representatives." General Jackson complained that the resolution was vague in its terms, and that in the form of a defined and specific accusatory resolution moved by Mr. Clay were these:— "That the late Secretary of the Treasury had not, contrary to his own sense of his own duty, expended the money of the United States, in deposit with the United States and its branches, in conformity

with the President's opinion ; and appointing his successor effect such removal, which has been done." The language of the resolution designated " the executive proceeding in relation to the public revenue," for no other specification was substituted in the modified resolution which was carried. General Jackson maintained his right to dismiss the Secretary by virtue of his prerogative, on which point he argued thus:—"The President nominates, and by and with the advice and consent of the Senate, appoints all officers of the United States whose appointments are not in the constitution otherwise provided for, and the proviso that the appointment of inferior officers is vested in the President alone, in the courts of justice, and the heads of departments. The Senate neither nominates nor appoints, but merely checks the executive power of appointment. If the Senate refuse, the appointment cannot be made. As to the power of removing or dismissing a functional officer, subject was solemnly debated in the Congress of 1789 on the organisation of the administrative departments was under consideration, and it was decided that the President derived from the constitution the power of removal, so far as the department for whose acts he is responsible.

General Jackson then pointed out that Congress had never passed an Act imperatively directing that the money should be kept in any particular place or places. From the origin of the government to the year 1816, the statute book was silent on the subject. In 1789 a treasurer was appointed subordinate to the Secretary of the Treasury, through him to the President. From the origin of the government the Secretary of the Treasury, acting under the supervision of the President, designated the places in which the money should be kept, and specially directed all transfers from place to place. This practice was continued with the acquiescence of Congress from 1789 to 1816; and a number of many banks were selected and discharged, and although a portion of the money was first placed in the states banks, then in the first Bank of the United States, and upon its dissolution again transferred to the states banks, no legislation was deemed necessary by Congress, and all these several operations were commenced and completed by executive authority. The Act of 1816, establishing the second Bank of the United States, directed the deposits of public money to be made in that bank and its branches, unless the Secretary of the Treasury otherwise order and direct, in which he was to give his opinion to Congress. But this did not alter his relations to the

the latter from his constitutional obligation "to see the laws be faithfully executed." The archives of the Treasury department showed that the secretary was in communication with the President and obtaining his sanction to the original transfer of the public money to the Bank of the United States, and carried into effect in obedience to his decision. Had the Secretary been an officer of the Congress and the President, the same might be said of the War and of the navy, and the Postmaster-General; in short, the whole executive power would be concentrated. On these grounds the President justified the Secretary for disobeying his orders, accusing the bank and opposing his superior. He justified his withdrawal of the deposits, by stating that he had attempted to obtain the renewal of its charter by Congressional elections and the general action of the people, in the attempt using its corporate funds and manipulating the press, and thus violating its charter. He justified his protest by demanding its registration on the floor of the Senate, which the Senate refused.

Congress had been convened in 1834, in which government had a majority in the House of Representatives, but a minority in the Senate. On the 4th June, the President followed up his first success by moving the two following resolutions:—1st. That the reasons of the Secretary of the Treasury were unsatisfactory and insufficient. 2nd. That the public money ought to be made in the Bank of the United States. The former of these resolutions was carried in the Senate by 29 to 16; the latter by 28 to 16. In the House of Representatives they met with a very different fate. The first resolution was ordered to lie on the table by 114 to 101. Thus the two branches of the legislature came into direct conflict, and the House of Representatives, determined to support the President, passed the two following resolutions in violent opposition:—1st. That the Bank of the United States be rechartered; carried by 132 to 82. 2ndly. That the deposits ought not to be restored to the Bank of the United States; carried by 118 to 103.

Congressional contests were exasperating party contests. Deputations of merchants, mechanics, and farmers from the principal cities and towns, all suffering from the depression of the currency, entirely caused by the conduct of the President against the bank, waited on the President

asking measures of relief. They received the curt answer government could give none, that the bank was the sole cause of all the evils experienced, and that they who had traded with borrowed capital ought to break. This reply, and the determination of the House of Representatives to support the policy of General Jackson, showed that the battle was fought on both sides. It was no longer possible to act on the original scheme of substituting a new bank for an old one, and although a nominal victory remained with the administration, combatants were really defeated, neither securing the object which the contention arose. The exclusive privileges of the Bank of the United States were abolished with the expiration of its charter. There are, however, circumstances connected with this controversy which merit record among the warnings of history, as showing the paltry and malignant spirit in which it was conducted, and how governments may degrade themselves when they exert their power under the unrestrained influence of passion, vengeance, and party spirit.

The bank had a branch at Savannah. It was one of the smallest, having a note circulation of only 500,000 dollars. The officials of the Customs, who regularly received its notes for payment of the public dues, suddenly, and without any notice whatever, presented a mass of those notes to the amount of 380,000 dollars, demanding specie, in the hope that it might be forthcoming. The cashiers of the Bank of the United States had for some time entertained suspicions of foul play, observing that the notes of the Savannah branch had been extensively taken out of circulation, and they wisely remained a sufficiency of coin to meet any concerted run. The attack was made by the order of government, and defeated; and as a proof that coin was not wanted, it was immediately returned to the agents of the Customs as deposit. By such low means General Jackson sought to destroy the credit of the bank, though well aware that he would aggravate commercial distress if monetary confidence was destroyed. His guilt as President is the blacker because he knew perfectly well that the national institution held more coin at its disposal than all the other banks in the Union collectively.

In the matter of the French indemnity the directors of the bank acted without becoming dignity, though they did not exceed their legal rights; but in displaying their strength they were betrayed into a vengeful spirit, of which their most judicious friends could not fail to disapprove. These are the faults which France had made maritime aggressions on the commerce of

from 1800 to 1817, for which full compensation made; for though there had been an adjustment of Louisiana, the injuries since inflicted were an indemnity had been claimed. After very treaty was signed at Paris on the 14th of July, which France consented to pay 25 millions to the United States in six annual instalments of 4 millions and 66 centimes each, the first to expire on the expiration of one year next following the convention, and the others at successive intervals of one year after another, till the whole sum was paid. France also made reclamations on the United States. To settle the balance, it was agreed that the sum of 25 millions should be credited to the government of France in six equal annual instalments, to be paid by the instalments France had agreed to pay. This treaty was duly ratified, and the ratifications were duly exchanged at Washington, on the 2nd February, 1832.

The ratifications reached Paris prior to the 8th of February. The French Chambers, however, refused to vote the money for the indemnity. Never suspecting such a refusal, the government of the United States had negotiated a draft for the first instalment through the Bank of the United States. The government of France allowed to be protested. The Bank of the United States seized the dividends on the draft to cover the protested draft, also claiming interest and principal. Those dividends—or rather the drafts to liquidate them—constituted a portion of the current income on which the appropriations made by Congress were made. In this proceeding the bank had clear right, and its practice was sharp, and deemed by the public to be a withdrawal of the deposits. It served as a lesson to our enemies to declare that it sought to degrade the government by indulging in spitefulness; and the bank certainly have stood higher had it, in this matter, not provoked the provocation it had received. General Jackson, on the opportunity of expressing his indignation, said, "soon have been expected," he said, "that our government should have seized on the Customs, or the receivers of the duties on the monies arising from the sales of the lands under pretences of claims against the United States, and that the bank would have retained the dividends." He disputed their legal claim on the ground of its constitutional provision that "no money should be

drawn from the treasury but in consequence of an appropriation by law." In conformity with that rule it followed that the claim of the bank could only be discharged by an appropriation granted by act of Congress, for which the bank had never applied. In matter of form perhaps the President was right; but substantial justice was on the side of the bank.

Another circumstance must here be mentioned as illustrating the rancorous spirit of the disputants. By authority of Congress the bank was authorised to pay the pensions granted to the old surviving soldiers of the war of independence. The bank rendered that service gratuitously, and it was in a degree onerous. The annual sum received was considerable, and at the time when the collision took place the bank had 500,000 dollars of that specific appropriation in its treasury. This the government sought to remove from the custody of the bank, demanding all books and papers relating to the disbursement. The bank replied that it had been constituted depository in virtue of acts of Congress, and could not and would not surrender either cash or documents unless by the direct order of Congress. Here it clearly had law on its side. However, its adversaries denounced the directors for plundering the soldiers of their scanty means of subsistence; and the President, in an address to Congress indulged in similar declarations, as hypocritical as virulent. For who really prevented the veterans from receiving their pensions but the officers of the Government, who refused to draw cheques on the bank, which would have been honoured immediately on presentation.

When General Jackson removed the deposits, he affected to take the states banks under his special patronage, and to laud their conduct. In his message to Congress in December, 1834, he said, "The states banks are found to be adequate to the performance of all the services which were required of the Bank of the United States, quite as promptly and with the same cheapness. They maintained themselves as well as charged all those duties, while the Bank of the United States was still powerful, and in the field as an open enemy; it is impossible to conceive that they will find greater difficulties in their operations when that enemy shall cease to exist. The institutions have shown themselves competent to purchase and furnish domestic exchange for the convenience of trade at reasonable rates; and not a doubt is entertained but that in the short period all the wants of the country, in bank accommodation and in exchange, will be supplied as promptly and cheaply as they have heretofore been by the Bank of the United States."

phcey proved a most lamentable

and December, 1835, the President
but was wholly redeemed, or money
purpose at the call of creditors.
Treasury at the end of the year of
for all outstanding and unsatisfied
for, nearly 11,000,000 surplus re-
project which Congress might desig-
t expenditure of the ensuing year,
be received, from various sources,
1836. The sale of public land in
. The President recommended the
commissioners of Loans and of the
continuance, by such a law as was
opt of the bills of the Bank of the
recommended the appointment of
he books and stocks of the United
d to close all connection with it
when its charter expired. Branch
e established in North Carolina,
e President confidently anticipated
r would become general in ordinary
he labour of the country. As to
s which arose in 1835, he attributed
gning its cause to the monopoly
He insisted that all experience
s a fiscal agent of the Government,
the political and moneyed power
nk bills under the value of twenty
ates banks, he contended, being
ent, could never become political
o authority and no pretext to use
e purposes.

FINANCIAL ANECDOTES.

No. IV.

PLY-LAND PLOT.

'Change Alley, was, on the morning of
engaged in business when a stranger
ed the broker to sell £16,000 Scrip.
address, though of somewhat effeminate

manners for a man. Mr. Martin, however much he might be troubled with the young man's manners, was telling him that an introduction was necessary, when, opportunely enough, Mr. Lyons, a member of the Exchange, happened to come in, apparently by the most accidental. "Oh!" said the young man, "here is Mr. Lyons, who knows me well." Mr. Lyons owned the soft impeachment, and added that he was only sorry that the young man did not come to see him. Mr. Martin, being satisfied with this, sold £10,000 out of a stock of £16,000. But, strangely enough, the seller did not come for his money, and, more strange still, he had left no address. The next day the young man called at Mr. Martin's private house, and, doubtless, much annoyed that the whole of the stock had not been sold, went away till the whole sale could be completed. The young man who left Mr. Martin's house in secret vexation was, in fact, not the young man at all. *She* was the sister of Lyons, and the meeting at Mr. Martin's office, apparently accidental, had been arranged. The whole transaction was a conspiracy—a forgery. The buyer of the Scrip having some suspicion of the genuineness of the document, Mr. Martin's attention was called to it, and the forgery was discovered, and application to the Bank of England. Lyons was arrested, and confessed his guilt. The sister, who had assumed male attire at her brother's solicitation, it is believed did so in ignorance of the fraud which he was perpetrating.

HOW TO PAY OFF THE NATIONAL DEBT.

There have been few topics which have called forth more croakings than the national debt. An extraordinary volume appeared on this subject in 1798. It was a goodly quarto volume. There was an elaborate essay on the evils of the debt, masses of figures and piles of calculations, and terrible prophecies as to the national ruin that was impending. And what was the end of all this—what the moral of the long tale? That one day in every week for a long period every body in the United Kingdom should save the cost of his living provision. This amount, with compound interest, it was calculated would soon pay off the national debt. The writer, however, foresaw three little things: first, that it would be necessary that all the inhabitants of the United Kingdom should be made acquainted with the scheme; secondly, that they should all agree with it; thirdly, that they should all act upon it.

THE STOCK EXCHANGE AT THE COMMENCEMENT OF THE NINETEENTH CENTURY.

sketch of Stock Exchange manners and customs at the present century may prove interesting :—
ets ! India Stock for the opening ! Navy bills !
he account ! Long Annuities ! ”
er calls : “ Chance ! Chance ! ”

s not here, Sir ; he is over at his office.”
s for August ! Omnium for September ! Scrip for
t ! Three per cent. Consols ! ”
f-headed Mr. Eye-Tony whispers a friend, but is
ey are all bulls, by Jove ! but I'll be hanged if they
stock. I'll go out of town, and not come among
counter.”

Annuities ! Who buys Long Annuities ? Tickets for

have you to do in tickets for the drawing, Mr.

of 500, Sir.”

buyer, Sir, but pray at what price ? ”

are a friend, Mr. Point Royal, I shall give you the
have them at 14.”

r. Mulberry ! Why, do you think I don't know what
ell as if I was selling pins or needles, or drawing
s' ruffles ? They are all sellers at 13. I will take
not otherwise.”

all have them ; put them down so—for the drawing,
- it, Tom, where did you get that wig ? ”

n of a gun, it is as good as your mop—India Stock
end ! Have you anything to do in India Stock,

! India Bonds ! Who buys India Bonds ? No
rket ? ”

A NOVEL FRAUD.

his “Chronicles of the Stock Exchange,” relates a
e time of its perpetration, 1806, was as novel as it
Joseph Elkin Daniels was well known on the Stock

Exchange as a dealer in the funds. His frequent transactions combined with the trust which his character had achieved, gave him a confidence in his proceedings of which he proved utterly unworthy. The time was an important one. The continent was struggling under the iron yoke of Buonaparte ; Austria was making that struggle with her enemy which ended at Austerlitz ; ruin was plentiful, and the price of stock varied greatly, when Daniels went to the broker and desired him to buy Omnium on account. The price was high, but his request was complied with. Daniels continued to advance, and Daniels continued to buy. When the price increased from 10 to 13 premium. When Daniels had completed his orders to the amount of £30,000, he was anxious for his money, and applied for payment. Daniels, however, quieted him by saying he was so sure the price would rise, that his friends would lend him money on the security of the stock, and he should hold the entire amount. The statement seemed a fair one, and he was believed to be honest, and the broker handed him his draft on Omnium, for which Daniels gave him his draft on Smith, Jones, and Smith. The first part of the fraudulent scheme was complete. Daniels knew the cheque would not be presented until the end of the month, and that he was therefore free from danger for a few days. He immediately took the reversion to other brokers, representing it as an urgent necessity for money, sold it, and having been paid for the amount, immediately presented them to the bank. The drafts were drawn, and received the amount in cash. He then went to all whom he knew or would trust him, borrowed money on the security of his own cheque—a common practice on the Stock Exchange—with remarkable boldness ; remained in London until the end of the month, when he knew his own draft would be presented and refused. He left, laden alike with gold and a guilty conscience. The extent of the fraud was estimated at £50,000. Telegraphic notices were issued to the principal ports of the United Kingdom, and the Mayor dispatched officers in all directions ; the chief suspicion was expressed to various places on the chance of detaining him. Every exertion was made to bring him to justice. £2,700, which he had strangely left at his banker's, were attached ; £200 was offered for his apprehension ; his lodgings were examined, and the property was seized by the officers of justice. The search was to

was discovered in the Isle of Man. Here the Manx laws protected the culprit, the law required to apprehend him ; and, when the island was peopled with men like him, the attempt to arrest him in open day, took the form of a raid. The proceeds of the trial, when his departure was known the islanders, in violation of a right on which the safety of the island depended. Great excitement was caused by his arrest. After a careful legal consultation it was decided that he was not convicted of any criminal charge, and that he was entitled to the legal penalty of that fraud which was inflicted on the members of the Stock Exchange.

NEW PERUVIAN LOAN.

The new Five per Cent. Loan has made its appearance through the agency of Messrs. Thomson, Bonar, and Co. £10,000,000 stock, bearing interest at the rate of 5 per cent. from the 1st day of January, 1865, in London and Paris. Although the nominal amount required is only about £3,250,000, this is for the consolidation of the old debt, and for the conversion and extinction of the old debt of the country. The price of issue is at par, and as security for this loan, besides the assets of the Government pertaining to existing bonds, the Government has, in addition to all its revenues and revenues from the Chincha Islands and elsewhere, pledged the value of the capital sum and interest, and has, at all times, either in Great Britain and elsewhere, a sufficient supply to ensure the punctual redemption of this loan for a period of 20 years, on the payment of each successive dividend interest. The agents and actual consignees of the loan at Britain and its dependencies declare in writing that the stocks of guano now deposited in this country represent the present market value, guarantee the punctual redemption and the redemption fund to the 1st day of January, 1865. The details of the advertisement show that subscriptions can be received either in cash or by instalments, and are very clearly defined, including the existing debt. It appears that subscribers

may at all times pay up all undue cash instalments on account of the respective maturities, at the rate of 5 per annum, and receive the bonds. The payments in deposits, in cash or bonds, will be taken by Messrs. Roberts, Lubbock & Co., the Consolidated Bank, and the Agra and Masterman. The brokers are Messrs. Mullens, Marshall, and Daniell, Lewis H. Haslewood.

SUSPENSION OF MESSRS. ATTWOODS, SPOONER AND CO. BANK AT BIRMINGHAM.

At a late hour on the evening of Friday, the 10th March, it was rumoured in Birmingham that the old-established bank of Attwoods, Spooner and Co. of that town had stopped payment. The fact was announced in London on the Saturday morning. The consternation and dismay caused by the announcement in Birmingham were indescribable, as persons of every class deposited their money at Attwoods', and it was generally believed that at least three-fourths of the neighbouring population kept their accounts there. In a great number of cases the deposits were the hard-earned savings of the most humble. Many of the deposits, too, had remained in the bank for a generation. Ladies and others of the sex in lower ranks of life were a very numerous class of depositors. Trust moneys, belonging to different friendly benefit societies, were also deposited with the bank to very large amounts. The accounts of many manufacturers, and others of that class, were not so numerous as they were a few years ago, many having been transferred to joint-stock banks; but still there was a sufficient number of such accounts with the firm to do an immense amount of mischief, and to cause inconvenience which has been felt since the stoppage has been effected. Notwithstanding that the most prompt assistance has been afforded by the local joint-stock and other banks to mitigate the evil.

The surprise caused by this stoppage is, perhaps, even greater than it otherwise would have been in consequence of its being known that active negotiations were on foot for an amalgamation of the Birmingham Joint Stock Bank, and had so far proceeded satisfactorily that the shareholders of the latter institution had been called together and their sanction obtained to the amalgamation, the state of the deposits and accounts at Messrs. Attwoods' justifying the belief that the union of the two banks would be highly beneficial to the shareholders of the joint-stock company; but when the state of the bank came to be investigated it was discovered that the old bank was only hopelessly insolvent, but that it had been so for some time. Under these circumstances the negotiations were immediately called off, and at an adjourned meeting of the shareholders of the

which a report will be found in another page) the previous meeting, sanctioning the amalgamation, rescinded.

Messrs. Attwoods and Co. was established as far back as the father of the late Mr. Richard Spooner, M.P.; but the latter gentleman in November last, and of Mr. Att-wood previously, left Mr. Henry Marshall the sole proprietor of the firm, and that gentleman, the moment the nego- tial amalgamation were finally broken off, decided upon the termination of business the same day, and at the termination of business the same day were finally closed, and shortly afterwards the following resolution thereto :—

"Feelings of the deepest concern and distress we are compelled to circumstances over which we have no control, to suspend payment.

"ATTWOODS, SPOONER, MARSHALL, AND CO.
1865."

An evening a petition in bankruptcy was filed on behalf of the firm, with a rough statement of the financial position of the firm; it appears from the annexed report of a meeting of the creditors on the 16th, that it is intended, if possible, to settle the matter under private arrangement.

The suspension was announced, the subjoined circular was issued by Mr. Marshall :—

"Feelings of the deepest concern and distress we are compelled to suspend payment, and this at the present time, after several months of negotiation, we had confidently expected should obtain such assistance as would enable us to carry out our part in the preliminary agreement for the formation of the Birmingham Joint-Stock Bank. In this hope we have been disappointed. Sums of money to a large amount were advanced to the bank some years since by the family of the late Mr. Attwood; this circumstance it can be clearly shown, at the present time, that the failure is to be attributed. For the last ten years we have been made to redeem the loss thus occasioned; but we have not been partially accomplished. The assets of the bank are still very considerable, and there are real estates of considerable value belonging to the bank, and but slightly encumbered. We are suspending payment we shall be considered as taking the first step to ensure a just and equal distribution of our assets to our creditors."

From the report that Mr. Whateley, solicitor to the creditors, and Mr. Laundy, the accountant, presented an account of the balance-sheet, showing a probable dividend of about 10 per cent.

The committee appointed at the meeting of creditors on the 17th, when it was determined to notify publicly that the committee prepared to negotiate for the sale of the property and assets of the bank, tenders will be received from any persons who may be desirous of purchasing. It is rumoured that more than one of the persons in the town is prepared to tender. The matter is, however, so far from means free from difficulty, because a certain amount of delay is inevitable.

A meeting of the creditors of the bank was held in the Assembly-room on the 16th March. There was a very crowded meeting, in fact, many of those interested were unable to obtain admission to the Town Hall being otherwise engaged, it could not be had for them.

Mr. J. W. Whateley and Mr. W. S. Allen, the solicitors for the bank, entered the room, accompanied by Mr. Laundry, their accountants. At the same time there were present the managers of the principal banks in the town, many bank directors, and most of the principal creditors of the bank. Mr. C. F. Kemp (Kemp, Canan, Ford and Co., accountants, 10, Abchurch-lane) represented some of the London creditors.

The Mayor (Mr. Henry Wiggin) was called upon to preside. Mr. Worship, who was received with much applause, said,—"I am honoured to be invited to preside over this meeting, and although I have no personal interest in the very painful business that has called me here, still if it is the wish of my fellow-townsmen that I should occupy the chair, I shall feel very great pleasure in doing so. (Hear.) Had this been one of an ordinary kind, merely affecting business men, I should not have declined to come here to-day; but unfortunately, the event which has taken place really amounts to a great public calamity. (Hear.) This is a blow the severity of which can hardly be expressed, and which will be felt upon the industry of this town and the neighbouring district of Wolverhampton like a withering blight. (Hear, hear.) The working classes are sufferers by it. The creditors include not only business men, but a vast number of other persons who are not nearly so able to protect their own interests; and I have learned with deep regret that many of the societies and other institutions connected with the working classes are heavy losers by this failure. Considering these circumstances, and the influence which such a disaster must indirectly exert upon the lives of persons who are not directly concerned, I believe I am only doing my duty, holding the office I do, by complying with the request that I should take the chair at this meeting, and I shall be exceedingly pleased if the little assistance I can render in this way should prove to be of any service to the painful circumstances in which so many of the persons concerned are unfortunately placed. (Hear, hear.) Before I sit down to the duties of the office, well, perhaps, were I to explain the order of business. (Hear.) I have been called together by the solicitors acting on behalf of Messrs. Attwoods, and they will, I understand, lay before you a full statement of the liabilities of the bank, and an estimate of the assets of the bank to meet those liabilities. When that has been done, I shall be glad to receive from any creditors any suggestions they may wish to offer as to the mode of dealing with the estate. It is, I believe, competent for the committee to decide, or, at all events, it is competent for the creditors to decide."

ate shall go through the Bankruptcy Court, or be wound
 arrangement. On this point it is not for me to express an
 a matter entirely for your own consideration. But I,
 e allowed to say, speaking from some experience as a busi-
 f I were directly concerned, I should prefer any reasonable
 ement rather than the Bankruptcy Court. Some of us,
 know that estates which look promising at the beginning
 y much reduced in their passage through bankruptcy, but
 long time in being wound up, and, in a case like this, in-
 ds of persons, it appears to me that everything depends
 de in realising the assets, and dividing them among the
 ight take that liberty, I should say that you would do
 an agreement as early as possible as to the manner in
 shall be dealt with; and if you can see any way in which the
 an be quickly and inexpensively divided, I think you will do
 it. It has been rumoured—and no doubt most of you
 hat offers will be made to take the management of the
 elieve the creditors of all further trouble and anxiety by
 uthout delay, a composition on the amount of the debts due
 r, hear.) If those offers should be made on what you con-
 ly liberal scale, then I must honestly say that I believe
 ell worth your most serious consideration. I merely throw
 on, without the least desire to dictate to you, or even to
 on you as an adviser. Before sitting down I cannot refrain
 anking the banks of the town, both public and private, for
 admirable manner in which they stepped forward to give
 odation to the creditors of Messrs. Spooner and Attwoods,
 ng so they greatly mitigated the severity of the blow, and
 ght otherwise have been a much more serious disaster.”

ateley, as solicitor to Attwoods and Co., in responding to
 ayor, said he must in the first instance crave their indul-
 rse of the observations he should have to make, because
 in most sincerely) he never felt more anxiety or more dis-
 he sufferers, than he did at the present moment. It had
 to be asked to make that statement because Mr. Marshall,
 ring partner of the firm of Messrs. Attwoods, Spooner,
 Co., was really so beaten down by the misfortune which had
 that it was totally impossible he could make any state-
 before them that day. He was confined to his own house,
 receiving every attention. He (Mr. Whateley) was com-
 in the strongest terms to express the great sympathy
 felt at the calamity that had fallen upon them, and he
 could assure them that nobody deplored the calamity more
 . Marshall did. (Hear, hear.) He thought the best thing
 he short statement he proposed to make was to show them
 state of the bank, and the arrangements at the time the
 ve come to an end commenced. The partnership of
 rshalls with Spooner and Attwoods began on the 1st of
 and was brought about in consequence of Mr. Richard
 it his duty very strongly to remonstrate—ay, to insist
 e Attwood putting things in a better state than they were.
 close investigation of the accounts of Mr. Attwood was
 was found the position in which he was placed. He suc-

ceeded his father, Mr. Matthias Attwood, who died on the November, 1836, and who by his will left George Attwood a legatee and devisee of all his estates, which were very considerable and very valuable. Mr. George Attwood at that time was on, as most manufacturers were aware, several concerns of considerable extent. There was a colliery at Haughan, rolling mills in Birmingham, a tube manufactory in Birmingham, also tube works in France, Rouen. Mr. Attwood had for some time been feeding these concerns with money from the bank. This, it was determined, should be stopped as far as possible that was done; but it was found that Mr. Attwood was very large, and as his health was breaking up, Mr. Spooner determined that he should make over the estates he held, in part liquidate the debt owing to the bank. He (Mr. Whateley) was sorry to see him in part liquidation only. He was there to tell them everything, and to conceal nothing, and he pledged himself to the accuracy of every statement he made. At the latter end of 1853 it was found that Mr. Attwood's debt amounted to £450,000. He was unable to pay that off; accordingly an arrangement was made that the bank should take the estates in valuation, and that the amount of the valuation should be applied in reduction of the debt. The estates were taken at £167,000, which was applied as he had stated. Those estates were now in possession of the bank, and they would be sold under the bankruptcy, unless, as he hoped, the anticipations of the Mayor might be realised—that he separated a resolution was passed to wind up the estate by private arrangement. (Hear.) That would be the best, and indeed the only way of getting a proper realisation. (Applause.) He had said that Mr. George Attwood became residuary legatee under his father's will; in that instrument his father, Matthias Attwood, made a declaration of his wish that his children should not be losers by any sums of money drawn out of the estates in London or Birmingham by his sons, and he directed that such sums should be paid off out of his private estate by his executor, Mr. George Attwood. That was done, and the transaction increased the debt now owing to the bank by Mr. George Attwood's estate. What the value of Mr. George Attwood's property was he was not in a position to say, for he had not examined the accounts, nor, he believed, anybody else. (Hear.) After the transaction to which he had referred, there remained a sum of £250,000 owing to George Attwood to the bank; that was in the month of March, 1854, when the bank took care to get hold of every acre of land belonging to George Attwood, also of all his stock; in fact, of everything he was possessed of, was stripped, in restitution, as far as possible, of the debt which he owed. He was made to give up all the share of the profits of the bank, and was to be allowed £1,500 a year. This took place early in 1854, when George Attwood lived only a week or ten days after the estate was vested in the bank. That being the state of affairs, the two Mr. Marshall were invited to join in the bank because of their knowledge, business habits, and long connection with the concern, in order that if possible, in conjunction with Mr. Spooner, they might bring matters straight. Messrs. Marshall took the modest sum of £750 a year each, Mr. Spooner £1,000; all the surplus went to reduce the debt. Mr. Marshall had been, as he had said, in the habit for years of drawing from the bank whatever sums of money he wanted for the purpose of carrying on his trades in which he was engaged. That was one way in which the debt had been created; another mode by which it was increased was the purchases of the tradesmen who had had engagements with those firms, but the firm

to close every one of those concerns, and to stop any more of the bank for carrying them on. From that time, all obtained from the different estates and other sources was liquidation of the debt. Mr. Laundry had prepared a statement, which he would read. He (Mr. Whateley) could not but have been to do the best for the creditors, and in which had taken place the conduct of the Joint-Stock was unexceptionable. (Applause.) The accountant, then read the following approximate statement, March 10:—

LIABILITIES.

Interest and interest	£718,973 19 0
Current accounts, £271,136; deduct bills held for	
advanced on, £50,090	221,136 0 0
on	19,370 0 0
to be paid in full	1,000 0 0
Total	£960,479 19 0

ASSETS.

£1,123. 12s. 2d.; balance at Barclay's, the	
land, and due from country bankers,	£76,388 3 10
in hand, £106,588. 4s. 4d.; less bills held	
advanced on, estimated £50,000 ...	56,588 4 4
considered good	234,825 0 0
considered doubtful, estimated to produce	46,069 11 1
companies	4,293 10 0
hold properties, valued at £218,248; deduct	
... ..	200,248 0 0
Total	£618,412 9 3

us shown was £342,000; the estimates and figures had, shown as near the mark as possible, and the rough figures, under both heads, showed 12s. in the pound.

in reference to the foregoing statement, said he was quite of his personal knowledge of the accounts, from having been as to them during the recent negotiation, the to them by Mr. Laundry was perfectly correct. The consideration was in what way the affairs of the bank should be should take the liberty of asking the Mayor as a friend of all, and had been a true one in the matter of this and have the kindness to move the resolution.

ented, and moved the following:—

opinion of this meeting the affairs of the bank ought to be under control of the Court of Bankruptcy, and to be wound up in arrangement; and that, accordingly, a committee be now certain and consider the position of the bank, with the view of the earliest possible distribution of the assets among the such committee have power to negotiate with any parties

who may be willing to provide funds for an immediate dividend, purchasers of the assets of the bank or otherwise; also, to select and amend suitable assignees, upon whom ultimately will devolve the management of the estate in any mode that may be determined upon, and to an adjourned meeting of the creditors, to be held this day week, the committee to consist of the Mayor, Mr. Jeremiah Mathews, Mr. Dixon, Mr. George Turner, Mr. John Gough, Mr. P. W. Bennett and John Hughes."

The Rev. Dr. Miller, in seconding the resolution, spoke of the manner in which the working-classes had behaved under the influence of this calamity, though they were very great sufferers. There could be no better guarantee that this estate would be wound up as well as possible for it to be than that their beloved and honoured friend Welshman Whateley was concerned in it. (Great applause.) Looking at the magnitude of the interests at stake, he rejoiced to see their friend present on that occasion; it was a guarantee that nothing of a hand or dishonourable would take place. (Applause.) Dr. Miller paid a tribute of respect to the memory of the late Mr. Spooner, who would, he felt sure, come out unsullied from the investigation and take place; and as for the two sons of that gentleman, he had no doubt for stating that they had not received one sixpence from their estate. (Hear.)

Mr. John Suckling supported the resolution, but declared that in his opinion, it was a grievous mistake that the bank had not been wound up years ago, when there was a deficiency discovered of nearly £100,000. He also complained of moneys having been received up to the time that though a petition in bankruptcy was filed by Mr. Marshall at five o'clock. Mr. Suckling suggested the addition of two other members to the committee—viz., Mr. J. R. Allen and Mr. John Shackel.

This was assented to, and the name of Dr. Miller having been added, the resolution was carried unanimously.

The Mayor next moved the following resolution:—

"That to secure the appointment of fit persons as trustees the Mayor recommends creditors to prove their debts, and to give powers of attorney to vote upon the trusteeship under such arrangements as the committee may sanction and announce by public advertisement."

Mr. Alderman Turner seconded the resolution, which was also carried.

Mr. Michael Maher asked the chairman what interpretation he put on the word "negotiate" in the resolution, and what power the committee conferred upon the committee. (Hear, hear.)

The Mayor said the committee would report any proposal that they thought fit to make, such proposal to be sanctioned or rejected at the next adjourned meeting of creditors.

Mr. Whateley moved a vote of thanks to the Mayor for his patience, and kindness displayed by him in presiding. In doing so, Whateley said he was quite sure they would never repent the unanimous resolution they had passed in reference to this important business.

The vote was carried by acclamation.

[On the 23rd March the adjourned meeting was held, the Mayor in the chair, when Dr. Miller briefly stated the course the committee were pursuing, but it was impossible in one week to get through the work they had in hand, and therefore proposed a further adjournment to the 30th March, which was at once agreed to, and the proceedings terminated.]

Legal Miscellany.

EDS BANKING COMPANY, EX PARTE BARRETT.

ight before Vice-Chancellor Kindersley in the Court of
5th March.

he court on adjourned summonses from chambers, the
ether Mr. Barrett was properly placed on the list of con-
ect of 22 new shares in the company. The capital of the
red, consisted of £1,000,000 in 10,000 shares of £100
50 were taken, and the remainder were reserved. In
tors determined to issue the remaining 2,650 shares at
only £15 a share was paid on the original shares, the
ares was practically at £15 premium. The new shares
a the proportion of one new share to every five old shares,
had 55 old shares he was consequently entitled to take
e applied for 25, but only 22 were allotted to him, and
them. On the 19th of September following the bank
and in October an order was made for winding it up,
d since been placed on the list of contributories, not
is 55 original shares, but in respect of the 22 new shares
to take. He, however, disputed his liability in re-
shares, on the ground that he had been induced to take
representation. In February, 1864, the directors pub-
which they stated that the profit on the preceding year
Mr. Barrett alleged that he was induced to take the
cit belief that the statements in the report were true,
false, inasmuch as debts to the amount of upwards of
returned as good which ought to have been returned as
t was false in other respects. Another ground on which
as that the contract, if any, to take the shares was a
e the shares that were to be in force at that time, but
come into force on the 1st of October following, until
s not to participate in profit in respect of them, and
t to be liable for loss.

Mr. Kekewich appeared for the official liquidator; Mr.
ckens for Mr. Barrett.

llor said he saw nothing in the circumstances to induce
conclusion that the contract was not *in presenti*, but
r did he think, according to the cases cited, that there
representation to Mr. Barrett, as, if it were misrepresent-
resentation from the company to Mr. Barrett as a mem-
y. He was of opinion that Mr. Barrett was rightly
f contributories, but as it was a proper question to bring
e must have his costs out of the estate.

the course of the argument that the decision in this case
t of a great many other shareholders who had taken
ar circumstances.

Reports of Joint-Stock Banks.

BANK OF ENGLAND.

A GENERAL court of the Governor and Company of the Bank of England was held on the 16th March at the board-room, to consider the report of Mr. Henry Lancelot Holland, the deputy-governor, in the chair.

The Deputy-Governor, after expressing regret at the absence of the governor, who had recently sustained a very severe accident, rendered his attendance impossible, added that although he could not be present to hear the verification of what he had addressed to the court on the last occasion, yet he was with them in heart and feeling for the interest of the bank. (Hear, hear). He begged to acquaint the court that that of the half-yearly meetings appointed by the bye-laws for the declaration of the dividend. The net profits for the half-year, ending on the 28th of February, were £807,317. 13s. 2d., making the amount of the dividend for the day £3,830,084. 7s. 10d.; and after providing for a dividend at the rate of 5½ per cent., the rest would be £3,029,669. 7s. 10d. The directors therefore proposed, if the shareholders approved of it, for this half-year a dividend of 5½ per cent., payable on the 6th of April, without any deduction on account of income-tax. That was the question they had brought to the court of proprietors.

The report was unanimously adopted, and the court were informed that the dividend warrants would be ready to be delivered and paid on the 6th of April.

Mr. Clarke proposed a vote of thanks to the governor, deputy-governor, and the directors.

Mr. Poole complained that a loan had been made to the Spanish government by some of the directors of the Bank of England, and that it was generally believed in Spain the advance had been made by the Bank of England itself.

Mr. Alderman Salomons objected to vague charges of this kind, saying that being made without notice being given. He bore testimony to the admirable way in which the governor and court of directors had managed the affairs of the Bank during the last half-year. If the Bank of England were well managed, as it had been, they never could have a crisis. The great safety of the commercial and monetary interests was the proof of the good management of the governors and directors of the Bank, and the example they gave in a recent crisis was highly beneficial. (Hear, hear.)

Mr. J. Higham objected to individual directors of the Bank of England advancing loans to a defaulting government. Such a course was condemned by the majority of the monetary and commercial world, and the directors ought not to remain connected with the Bank.

The Deputy-Chairman had no hesitation in saying that the Bank of England had nothing to do with the loan referred to.

Thanks were then voted to the governor and the court of directors, and the business concluded.

THE ADELPHI BANK, LIMITED.

Yearly meeting of the shareholders of the Adelphi Bank held at the Clarendon Rooms, South John Street, 4th January, Mr. W. R. Camidge in the chair; a large number of shareholders being present.

Mr. Camidge—"Gentlemen, we have generally commenced by reading the report of the manager; that I presume you will discuss in the next place, the manager has generally read the reports of the manager. It has been suggested to me that, inasmuch as every shareholder has the report in his possession, it is unnecessary to go over it. That is, of course, left with you; if you think the manager will read it as hitherto."

Mr. Samuel Brown, of London, seconded by Mr. Camidge, that the following report and statement of accounts

The directors much satisfaction that they are able to present to you a balance-sheet which so clearly evinces the continued prosperity of the bank. The accompanying balance-sheet has undergone a strict examination by a committee of three members of the board; and they are fully satisfied that every asset now upon the books may be taken as good. A dividend has been declared for the year at the rate of 10 per cent. per annum (clear of income tax) to be payable on and after the 25th January. The dividends at £46,500, having been increased by £15,000, the £15,000 on the new shares, and £1,500 from the profits of the year, in addition to which (and after writing off all known bad debts) £717. 18s. 1d. has been carried forward in favour of the year. In consequence of the new issue of shares, the number of shareholders has been more than doubled, and the directors are fully alive to the extraordinary risks that may be incurred by the high rates which ruled in the money market, and the classes of the community; and they would not be intransigent in their transactions of a merely speculative nature, which they are more than likely to result in embarrassment, if not ultimate failure.

Statement of Accounts, from June 30th to December 31st, 1864.

LIABILITIES.			
£260,220	0	0	
4,293 shares, at £10 each, £42,930; on each, £43,590; making £86,520; less			
£85,534	0	0	
on current and other accounts	164,158	15	6
at report, £30,000; premiums on 5,000 each, £15,000; amount added this half-			
46,500	0	0	
now due, and dividends unpaid	3,614	15	8
carried forward to next half-year	717	18	1
£300,525	9	3	

ASSETS.

<i>Cr.</i>									
Bills discounted, promissory notes, &c.	...	...	...	...	...	...	...	...	...
Bank premises, &c., &c.	...	...	...	...	...	...	...	...	...
Cash on hand and at call	...	...	...	...	...	...	...	...	...

PROFIT AND LOSS ACCOUNT.

<i>Dr.</i>									
General expenses, including salaries, stationery, directors' remuneration, law expenses, allowances for bad and doubtful debts, &c.	...	...	...	...	...	...	...	...	...
Interest on deposits, &c.	...	...	...	...	...	...	...	...	...
Dividend now due	...	...	...	...	...	...	...	...	...
Amount added to reserve fund	...	...	...	...	...	...	...	...	...
Balance carried forward to next half-year	...	...	...	...	...	...	...	...	...

<i>Cr.</i>									
Balance brought from previous half-year	...	...	...	...	...	...	...	...	...
Collected on account of amounts previously declared bad	...	...	...	...	...	...	...	...	...
Profits	...	...	...	...	...	...	...	...	...

The Chairman—"I think you will agree with me that, commercial crisis through which we have passed during the last the report is a very favourable one. In looking over it you that it presents an increase in nearly every particular. There crease in the subscribed capital, a large increase in the paid-up large increase in the reserve fund; and during the last six mon ber of shareholders in the bank has been more than doubled. I think these particulars are grounds for mutual gratulation gratulate the shareholders on such a result. I do not think it this time to go through the report item by item, because precious. I may say a word or two, however, as to the repor how it has been got up. There have been remarks made, some persons, that a balance-sheet like this should be audited —some auditor or auditors independently of the board. Now for all, to say, on behalf of myself and the directors, that t the slightest objection to an auditor or auditors being appoint as they are not afraid of the strictest investigation into the ac bank; but the appointment of an auditor, as you very well k with the shareholders, and not with the board of directors. directors have done what the articles of association compel ti fact; that is, to appoint a committee of themselves to inv accounts and examine the securities. That committee has bec as you are informed in the address annexed to this report, a done their duty, I can say, to the utmost. It is, however, fo holders to take action in reference to the auditing of the accoun be thought advisable at this meeting to appoint an auditor the directors will not offer the slightest objection to that cou said this much about the audit, I will tell you really what ha

to committees appointed instead of one, as stated here. One very pleasant name, "the bad debt committee." (Laughter.) A member of both these committees, and can speak with authority about what they have done. The committee called the bad debt over the whole of the accounts one by one, calling over for information from the officials of the bank, and, after having had to say about each account, the committee declared it to be good or bad; and I can say, having gone over myself, that where any account appeared to be bad, it was written off as bad, and has not been taken as an asset of the bank. There are accounts which are somewhat dubious as to the value of them, some of these have been written off, and I believe that what are on the books are really good accounts, subject (as to the ordinary risks of business; and, of course, when a man is stock in his own affairs, when he takes a lot of debts as to himself, he may well say that there may be risks, and that some of them, by him, may turn out to be bad. We have written off, and considered bad as bad; and I believe every account entered in the report, is a good account at this time. That is what the bad debt committee did. (Hear, hear.) As to the other committee, called the 'audit committee'—they have examined the securities of the bank as well as the accounts, and the advantage of being on the former committee, I was preferred to—Mr. Glover and Mr. Fisk—to go into the securities, and we did so. Every bill that has been discounted has passed through our fingers, and every security deposited has been examined and compared with the books, so that when looking at the totals in the balance-sheet, and looking at the books, and looking at the bills which had been passed, that they all agreed with the results you find. We also looked at some bills that were called 'past due'—some of these were written off as bad, and have been, and, therefore, have not been taken as good in the books. Having done this, I can speak with confidence about the bank, and am convinced that if we had a dozen auditors, however many might have been, they would not have made a stricter examination of these committees have made into the affairs of the bank. One has gone so far that I scarcely know what particular thing has been said, and especially by the new committee, in reference to our not being quoted in the list of the Stock Exchange. Some it has been thought that there was something in our constitution. That, however, I am glad to say, is not the reason of our not being quoted on the Stock Exchange, but reducing the amount of our shares from £100 to £20. I am daily engaged in completing that arrangement, a new rule of the Stock Exchange affecting all new companies. We were not aware that we did not know what the Stock Exchange were doing. This, that in all new companies the Committee of the Stock Exchange requires that 10 per cent. of the nominal capital shall be paid up, and one-half of the shares shall be subscribed for. Now, if we had the amount of our shares from £100 to £20, there would be no difficulty whatever, because we should have fulfilled the reference to the amount of capital, and more than fulfilled the reference to the number of shares. I do not affect to say

that it is not an advantage to be quoted on the Stock Exchange if I said so, I should most probably be contradicted by one of the London Stock Exchange whom I see present. (Applause.) I do not affect to say that it is not impossible to say that the loss we have apparently sustained by being quoted on the Stock Exchange is more than counterbalanced by the limiting of the liability of every shareholder from £100 to £50 (I please.) I will say, moreover, that, in some respects, it has been fortunate for us that we have not been in the Stock Exchange for the last six months, for the fluctuations in the price of the shares of the banks has been very great, and that of course has been more than has affected in some degree the interests of those banks whose shares have not depreciated in their premiums in anything like the degree that those of some of the banks have done that have been quoted in the Stock Exchange. The shares, at present, are selling at a fair premium, and I have no doubt, after this report gets out into the mercantile world, the shares will be worth still more than at present. (Applause.) Having ventured to make these few statements, I will say no longer than to say that this bank has been progressing satisfactorily during the last six months. In current accounts we have had to court to have, and we should be glad if the shareholders would recommend their friends to bank with us—the number of current accounts has increased during the last six months from 375 to 452, being an increase in current accounts of 77. (Applause.) Of course it is impossible to picture accurately the future of the bank, but we may, I think, look back on the history in the past as an earnest of the future, and I firmly believe, if its affairs continue to be faithfully administered, that it will be one of prosperity and continued progress. (Applause.) I beg to move the adoption of the report.

Mr. Anthony Fisk, deputy-chairman, seconded the motion.

Mr. Samuel Brown said—"This is the first time I have had the opportunity of attending one of your meetings, and that it should be so, and full gives me great pleasure as it must do you. But having attended this meeting at some cost to myself, and having done so for the purpose, I do not think I should be doing my duty to the shareholders, even to yourself, if I were to let this report pass without some remarks. When this report reached me, I did not deem it to be a satisfactory one, and I have a few reasons for making that observation to you, and you have elaborated that remark in your speech to the shareholders, that the accompanying balance-sheet has undergone a thorough examination, and so on, and you have explained how the situation has taken place. Nevertheless I deem it my duty to say to you, holder, to ask the other shareholders if they do not think it desirable that independent auditors should be appointed to give the view of testing the figures of that balance-sheet. You have done very correctly before this meeting, that, with yourselves and the directors, the utmost care is taken that the results shall be fully depicted before they are stated to the shareholders; and with no fault, neither do I say, nor think, nor dream, that there is anything wrong. You vouch for it yourself, and the investigation made by yourselves, described it by yourselves, is of far greater value than an investigation by independent auditors; but I put this question to you, whether, to place us on a par with similar institutions, it is not desirable that we should after all this care which you have taken with respect to the

auditors independently of the Board? That is for the
 r. You have given your reasons why you think there
 this, and I will at once bow to their decision if the
 same opinion. All I say is, that it is not in accordance
 of similar institutions. I next come to what is far
 the figures themselves. You tell us that your reserve
 500; that it has been increased at this juncture by
 premiums on 5,000 shares at £3 per share; and that you
 o that large amount £1,500 of your earnings during
 ns, only carrying forward as the current balance for
 ings £700. Now, turning to the balance-sheet, I see
 dividend now due at 10 per cent. and the dividends un-
 500. I put your own figures together, and I find that
 spective of the £15,000 which has been naturally trans-
 ve fund as premium upon the shares issued, have been
 ou have adverted to the recent crisis, and I have no doubt
 mmercial world know that the crisis through which
 old, have passed during the last six months, more
 a panic than even the oldest in the room can
 place before, though that panic was certainly tided
 sir, taking these figures, and taking the facts which we
 ard to new banks and their peculiar position; taking
 the state of commercial credit, and the rate of discount,
 l period for any banking institution to pass through.
 through it in a manner for which I think the highest
 credit is due to you. (Cheers.) There cannot be the
 out that. But, sir, I do say this, that although that
 ned to have passed, yet to add £1,500, in addition to
 eerve fund, leaves yourselves in a position unequal for
 rthcoming events. You do not know what may arise.
 ssing through a period of very high rates of interest,
 know that you will get any more than 5 or 5½ or 6 per
 nsuing six months, and that of course will not produce
 end. You may also have had debts which you do not
 ad debt which you do not look for of £3,000 or £4,000
 re dividend on the head, and you may only be able to
 herefore, I ask you whether it would not be more com-
 own position, and with the proper management of this
 for the future interests of the shareholders, instead of
 00 to the reserve fund, that you should hold it over as a
 eby better secure the future dividends of your share-
 gard to the dividend of 10 per cent., it seems to me that
 interfere with that; because, according to our articles of
 shareholder can ask for a higher dividend than at the rate
 ou have chosen to give a dividend at that rate; but I
 r to make your own position more stable during the
 as, whether it would not be better that the shareholders
 this question, and hold over the £1,500 as a current
 ew to future advantage. There is only one other matter
 e to mention, though I do not want to do it at the cost of

There is a meeting now being held in London of a bank
 r own, the proprietors of which must have been wofully
 o have very much to call upon their directors to answer
 g is held to-day, and, while I do not wish to sit in con-

demation of those persons who may have done wrong, I ask holders here to be by all means guarded against such proceedings. (Hear, hear.) We have to thank you for the past. The past history of this banking institution is better known to you than perhaps to me. I have taken very considerable interest in its formation, and its progress with the greatest care; and I can vouch for the accuracy of the word that you have spoken. I say, then, keep on your guard as you have hitherto, and you will make yourselves a greater name than that of your kite and fall down. (Hear, hear.) Continue the same policy, and you will be a great success. (Cheers.) I say this because I feel that I must say something to undo what otherwise might be a reflection upon you. I do not want to reflect upon you; but I want you fairly to consider the suggestions I have made for your own benefit and the sake of your shareholders. I do not know whether it is correct for me to move any resolution on the subject.

The Chairman—We are very much obliged to Mr. Brown for any suggestions that he may make; and his coming all the way from London to attend this meeting evinces, I think, the interest he takes in the affairs of the bank. With regard to the first point he has mentioned with reference to the audit, I think I made our position sufficiently clear to you in what I stated about the auditors. If it is the will of the shareholders to appoint auditors for the future, it is in the hands of the shareholders, and the directors do not object to it. With reference to Mr. Brown's remarks as to the balance, it seems to me that he is almost mistaken in his distinction without a difference. The £2,200 has been divided into a reserve fund and the balance to be carried forward for the current year, but both the amounts, no matter whether it is the reserve fund or the balance carried forward, are available to meet any contingency. (Hear, hear.) This reminds me of a person being very particular in reference to the value of his cash-box, as to putting silver into one, gold in the other, and forgetting that all the chambers are equally available for the same purpose. (Laughter.) I imagine, too, that this amount, being placed to the credit of the fund, in reality puts us in a better position than if it stood in the hands of a balance carried forward. I think the managers and directors are no less careful, but perhaps more so, by having a small balance carried forward than if they had a large one. (Hear, hear.)

Mr. Fisk—I think that the amount added to the reserve fund is held decidedly more sacred.

The Chairman remarked, in further allusion to Mr. Brown's valuable suggestions from London very much, although all the suggestions from London were not very popular just now. (Hear, hear, and laughter.)

Mr. Brown said he had no wish to press the matter further, but thought the plan adopted in the accounts was the best.

The motion for the adoption of the report was then put and carried unanimously.

The Chairman—We now proceed, gentlemen, to elect four persons in place of those retiring.

The following were the names of candidates:—Mr. John Davidson; Mr. Joseph Hickey, boot and shoe maker; Mr. William Wright, wine and spirit merchant; Mr. William Pennington, cotton owner; Mr. William Litherland, china merchant; Mr. John Williams, cotton broker.

The voting papers were then collected, and Mr. Henry C. Brown and Mr. Samuel Brown appointed scrutineers.

retired to examine the papers, and in about half-an-hour the chairman announced the result as follows:—2,121 votes; W. Litherland, 2,118 votes; W. Pennington, 2,001 votes; J. Davies, 299 votes; J.

ms, Litherland, Pennington, and Wainwright, were then elected. (Cheers.)

—That will terminate the business of the meeting, gentlemen—nothing else remains to be said by any other shareholder. The large attendance which we see on this occasion I am sure will now be burned.

I think we have a duty to perform to the chairman in which the affairs of the bank have been brought

The large attendance which we see on this occasion I am sure will now be burned. I wish, sir, to express upon every shareholder the necessity of getting parties to the bank. (Hear, hear.) By that means we shall get not only a 10 per cent. dividend, but the same which other people enjoy. I beg to propose a vote of thanks to the chairman not only for his able conduct to-day, but also for the interest of the bank during the last year.

—It may be a liberty for me to take, but perchance you on future occasions, or at all events for some time, will therefore, to avail myself of the opportunity to second the motion. With no feeling but that which the hon. proprietor has expressed to me I make the remarks which I have offered to the mode in which our affairs have been conducted. I am sure of your immense interest in your success, and it gives me great pleasure that you should not only continue to devote your energies to the management of our affairs, but that you have been hitherto so successful that you will remain where you are, with equal and confidence. (Cheers.)

The manager, having put the resolution to the meeting, it was carried unanimously and with loud applause.

—Gentlemen, I feel very much obliged to you for the vote of thanks. I only feel that I have not done my duty in connection with this bank, and so long as I am in the position I do, I shall be unremitting in my attention to the future.

He then proposed a vote of thanks to the directors, remarking that they were not influenced by the small pecuniary remuneration of their duties were of a very onerous description. He then seconded the motion.

In putting the motion, said, I am glad that this proposition was carried, because I think it is due to my colleagues that they should have the thanks of the shareholders more than myself. I have now put the resolution.

It was carried unanimously,

and, on behalf of the directors, begged to express their thanks to the chairman in which their exertions had been acknowledged. He then said that he believed they had all assisted to the utmost of their power to carry out the business of the bank efficiently, and he trusted that the resolution which had that day been submitted and agreed to was

proof that they had not worked in vain. (Cheers.) On behalf and his co-directors, he begged to thank the meeting. (Hear, hear.)

Mr. J. B. Hughes—At the risk of being thought tedious, I would say that we are bound to pass a vote of thanks to our worthy manager in a very able manner in which he has conducted the affairs of the bank. (Loud applause.) I believe it is to him, and to his father and to him, that we owe the existence of this bank; and I think I am wrong in a meeting of shareholders if we were to pass over so important services as they have rendered. I therefore beg leave to propose a cordial vote of thanks to our manager for the way in which he has conducted our affairs.

Mr. Hill seconded the motion, and it was supported by Mr. Ellison.

The Chairman—No one can have a higher opinion of the manager than I have. I know how he has worked early and late for the interests of the bank. I know some bank managers who would not have devoted the time that he has done to the interests of this bank. I know times he has been at the bank until very near midnight during the last six months. (Hear, hear.) I may also say that he is assisted by very efficient officers, some of whom, I see, have wound their way into the room to have a look at the shareholders. Those who approve of the vote of thanks to the manager, please signify it.

The vote was then carried by acclamation.

Mr. Ellison, in reply, then said—I am much obliged to you, sir, for the expression of kindness and goodwill to which I have just given utterance with reference to myself. I take this expression of goodwill also, the staff with which I have been associated in carrying on the affairs of the bank up to this moment. I can assure the shareholders that there attendance here to-day in such numbers as being the greatest compliment that can be paid to myself and to the directors, and all immediately connected with the administration of the affairs of the bank. I hope that at our future meetings we shall have a similar interest and that the advice of Mr. Hughes to the shareholders, to bring their business to the bank, will be followed; and that we shall have many things to announce to you as each succeeding report is issued.

The meeting then separated.

BRITISH GUIANA BANK.

THE fifty-sixth half-yearly general meeting of the proprietors of the corporation was held at Georgetown, on the 26th January; Mr. Garnett in the chair.

The Chairman read the advertisement convening the meeting and giving notice of the retirement of five directors, whose places were to be filled by an election at this meeting:—"Pursuant to the provisions of the charter of incorporation, five directors of the bank, viz., Mr. Mackey, J. H. King, H. K. Davson, Alexander Garnett, and Wm. Ellison, go out of office by rotation at the ensuing general meeting of the bank on the 26th instant. These gentlemen are re-eligible. A list of the shareholders qualified to be elected directors can be seen at the bank, the branch in New Amsterdam."

The following report was then read:—

affairs of the Bank on the 31st December.

...	...	...	...	...	...	\$926,520	0
tra	...	...	...	...	...	200,000	0
of lodgments, including interest							
...	...	...	...	...	...	626,145	79
...	...	...	...	...	...	298,860	0
...	...	...	...	...	...	7,681	69
...	...	...	...	...	...	91,748	60
							\$2,150,956 07

on bills discounted, bonds, other							
nd in the hands of agents	...					\$1,922,800	18
n Turkish 4 per cents. guaran-							
e, \$96,000; in Bank of England							
...	...	...	...	...	...	200,000	0
, &c.	...	...	...	...	...	28,155	89
							\$2,150,956 07

The foregoing statement consists of—the sur-
profits for the half-year ending the 31st De-
The amount of profits enables the directors to
a dividend at the usual rate of eight per cent.
year: this will require a sum of \$37,060 80,
added to the surplus fund; and they further
directors, from the accumulated surplus profits,
their paid-up capital, making, with the divi-
dend return for the year of ten per cent. The
the officers of the bank a bonus of ten per cent.
which they have no doubt will meet with the
holders. After providing for these payments,
profits over and above the reserve fund of
\$28 60, being \$6,394 57 more than at the cor-
ar.”

chairman, seconded by Mr. J. H. King, and
of the directors be received and adopted.”

wles, seconded by Mr. David Vyfhuis, and re-
ded by the court of directors, a dividend be
r the half-year ending 31st December, 1864,
two per cent. on their capital stock be paid to
accumulated surplus profits.”

aham, seconded by Mr. H. T. Garnett, and re-
ne report be laid before His Excellency the
eedings of the meeting be printed for circula-

, seconded by Mr. W. B. Pollard, jun., and
of the meeting be tendered to the chairman
ces.”

seconded by Mr. B. V. Abraham, and resolved,
eting be tendered to the President and Com-
r the use of the rooms.”

The meeting then proceeded to the election of five directors, Abraham and Knowles being requested to act as scrutineers, and report the following gentlemen were declared elected, viz: Alexander Garnett, J. H. King, H. K. Davson, T. H. M. W. MacAulay.

The thanks of the meeting were voted to the chairman, and was then closed.

BILSTON DISTRICT BANKING COMPANY.

THE twenty-eighth annual meeting of this company was held at Hampton, on the 7th February, Mr. W. H. Sparrow in the chair. The following report was read and adopted:—

“Your directors have audited the accounts of the bank December last, and they have pleasure in submitting the annual statement :—

LIABILITIES.

Paid-up capital at last report, £30,000; guarantee fund capi-
talised, £90,000 .. .
Guarantee fund .. .
Deposits, credit accounts, notes and bills, rebate interest,
income tax, &c.
Proposed dividend and bonus .. .

ASSETS.

Government securities, debentures, and guaranteed stock	...
Bank premises and furniture	... ..
Bills discounted, loans to customers, and other securities	...
Cash	... ..

PROFIT.

Dividend and bonus paid 1st September, 1864	...	...	...	...
Proposed dividend and bonus	...	...	...	...
Surplus, to carry to guarantee fund	...	...	...	...
Net profit after providing for all bad and doubtful debts, rebate interest upon undue bills, and income-tax	...	...	...	...

GUARANTEE FUND.

Amount of this fund at last report,	£30,590.	18s.	10d.; less,
capitalised, £30,000...	...	...	...
Interest at 3 per cent.	...	...	...
Surplus profit	...	...	...
Present guarantee fund	...	...	...

"W. H. Sparrow and Samuel Loveridge, Esqrs., retire from
and are qualified to be re-elected."

BIRMINGHAM BANKING COMPANY.

The annual general meeting was held at the Assembly Buildings, Birmingham, on the 15th February; Frederick one of the directors, in the chair.

Report was presented:—

The directors of the Birmingham Banking Company have the pleasure to present their thirty-fifth annual report, which they believe the shareholders will not but consider to be a satisfactory one, as they are again satisfied that the business returns of the bank have largely increased and the profits realised during the past twelve months very far in excess of any previous year. The net profits for the year ending the 30th June last, after writing off bad debts, allowing for the rebate of interest on not yet matured, and paying all current expenses, amounted to £1,702. 15s. 5d., which, with the balance of £1,702. 15s. 5d. brought forward from the previous year, makes an available total of £68,857. 2s. 10d. £20,000 were taken for the dividend and bonus paid in 1864 and £12,000 which your directors appropriated, on the liquidation of the Dudley bad-debt account, and you are requested to declare a dividend of 10s. and a bonus of 10s. per share on the 1st day of March, which will absorb £26,196, leaving a balance of £10,661. 2s. 10d. to the current year. It is expected that a largely increased amount will be required for the business during the current year, and having regard to the interests of investors, the directors feel sure that the proprietors will take a wiser course to carry forward a large amount than to realise the market value of the shares by paying an additional bonus. The result will then be as follows:—

Divided profits brought forward	£1,702	15	5
1864	67,154	7	5
	<hr/>		
	68,857	2	10
Balance Dudley branch on 30th June, £12,000; and bonus paid 1st September, £20,000; ditto on 1st March, 1865, £26,196	58,196	0	0
	<hr/>		
	£10,661	2	10
	<hr/>		

In consequence to the issue of new shares, your directors have to re-allocate of the 5,000 shares reserved for the proprietors were taken up, and that of the remaining 5,000 shares 1,894 have been previously placed, leaving 3,106 to be disposed of as occasion may require, authorised by the special meeting in June last. It is with pleasure that the directors announce the appointment of Mr. J. B. Hargreave as sub-manager at Birmingham, which they feel sure will be an advantage to the working of the concern; and they have to inform you that the branch at Wednesbury was opened on the 1st day of March, and the management of Mr. J. B. Hargreave, late cashier at the Birmingham Banking Company, they have reason to anticipate profitable results therefrom. It is a regret that the board announce the retirement, through age and failing health, of their esteemed colleague Joseph Joseph who was connected with the company from its commencement.

ment, and for the long period that he retained his seat at the board of its most zealous and useful members. The vacancy thus caused been filled up by the election of Ralph Heaton, Esq. The proprietors learn with satisfaction that Messrs. F. I. Welch, S. W. Lucas, J. B. Payn have been appointed a sub-committee, to attend at the bank and give the benefit of their valuable advice and assistance in the administration of its affairs. The number of shareholders on the register 643; the paid-up capital of the bank, £268,940; and the reserve fund £187,880."

In moving the adoption of the report, the Chairman said he viewed with great pleasure the increased business and profits of the bank; and considered it owing in a great measure to their judicious creation of shares in July last. The bank had not increased their capital for a quarter of a century, and having done so on the suggestion of their manager, the result had been most beneficial; it had brought them a large amount of business and new customers, and would continue to do still more, as, though the issue to the proprietary were all taken up by them, there was a considerable number of shares still retained to be used as they considered most conducive to the interest of the bank. The high rate of money, of course, had had much to do with their large profit, but the business was so materially increased over all other years by the personal exertions of the directors and manager to bring good accounts to their bank; and he said, if the shareholders, who were a large body, and the directors, who were a small one, would aid them in the same way, then their interests would be largely advanced, and a highly profitable future be in store for the bank, and he called on them to aid their own interests in these days of competition.

The resolution was seconded by H. Van Wart, Esq.

Mr. Broughall, of Wolverhampton, congratulated the directors and proprietors on the satisfactory result of the year's operations, and said much praise could not be given to the directors and managers. He hoped that, with so large a guarantee fund, a portion would have been capitalized, but he left the matter with great confidence in the hands of the board.

The second resolution, relating to the dividend, was moved by the chairman, and seconded by Mr. Lucas.

Mr. John Aston, in moving a vote of thanks to the directors, spoke of their good services rendered in a time of difficulty, and added, as a rider to his resolution, "That the sum of £2,000 be placed at the disposal of the directors for the future."

This was carried unanimously, after having been seconded by J. Woodhill, Esq.

Mr. James Watson, in moving "That the best thanks of this meeting be given to F. I. Welch, J. B. Payn, and S. W. Lucas, Esqrs., for their valuable services," spoke highly of the services rendered by those gentlemen, and in reverting to the fact of Mr. Gibbins's retirement from the board, stated that Mr. Gibbins's good wishes were with the bank, and he considered a most prosperous concern.

Mr. Payn, in responding as the junior member of the sub-committee, spoke of the necessity for such a committee in all large concerns, and especially in one where the manager, although of great ability and ample knowledge, was a young man. He detailed the result of a conversation he had had with Mr. Gibbins, in which that gentleman said that he intended to dispose of his interest in the bank, as his children were all infants.

said that the Birmingham Banking Company was one of
in the kingdom.

was declared as recommended. The directors were re-
dial vote of thanks was passed to Mr. W. H. Beaumont,
ose high efficiency and devotion to the interests of the
firmly eulogised by Mr. Welch and other members of the

t, in acknowledging the compliment, said, I am sure,
st have been with very great satisfaction that you have
report that the bad-debt account at Dudley, caused
Mr. Blackwell, is done away with. You will remember,
our chairman, at the last annual meeting, told you that
I not promise you a return to the old dividend and bonus
ed that in 1866 it would be reverted to; and yet within
at time you were informed that the old dividend of 10s.
a share would be paid in September last. This satisfac-
gs was caused by some securities we had having been
r than was anticipated, and to the profits made during the
of the year, which enabled the board to transfer £12,000
ne, in full liquidation of the bad-debt account at Dudley.
e that if the spurt in the iron trade had continued, and
et remained in a quiescent state, that the remaining
ave been disposed of without requiring the appropria-
00. It was in February, 1861, that the proprietors first
bonus would have to be reduced, and at that time my
her frequently said that it would take ten years to put
nt straight. Is it not an evidence, gentlemen, of the
ivifying power of your great company that within four years
unged, and does it not argue well for the future of the
ause.) So much for the past; now with respect to the
felt so certain that your bank can hold its own as now.
e returns amounts to upwards of £3,000,000 for the past
rease of profits you see in the report. The amount of
y was never so large as it is now, and the fact of the de-
y undergone any decrease, but *au contraire*, shows a great
e confidence, especially when we take into account the
oney has ruled at during the year, and the temptations
st have had to invest in speculative undertakings for the
ng a large rate of interest. It is also a cause of much
at the great commercial disasters which occurred during
onths of the year have hitherto had so little effect on this
gham is, *par excellence*, the town in England where per-
y, in a series of years, be carried on with less chance of
er town. No great fall in cotton or other produce can pos-
ect the prosperity of this town as it can those of the other
o great was the public distrust, especially in London, that
onsiderable financial experience told me that the pressure
ng the month of October was more severe than at any
e crisis of 1857. I am quite sure of this, gentlemen, that
ndently managed, must prosper, and I see no reason why,
nding town like this, we should not present you with a
y report each succeeding year. (Applause.) Perhaps
s will allow me to state the satisfaction I personally feel
of a sub-manager has fallen on my excellent friend, Mr.

Shaw, and which, I am quite sure, will be of great advantage to the concern. Mr. Shaw's intimate knowledge of the whole of the accounts will enable him to keep a watchful eye on any accounts that may require examination and vigilance. In fact, the very day after his appointment I found him writing letters to some of our friends whose accounts required a little more putting into shape. A great deal has been said, gentlemen, with reference to the objectionable practice of bankers giving their acceptances for a commission, or, in other words, lending their names instead of their cash; the chairman of an important joint-stock bank in this town took so much credit to his bank for not adopting the system. I can also say that we do not do so, and have not a liability of a shilling on acceptance, and I say, on behalf of all the other banks here, that there is not one who would countenance such a pernicious system. I can easily understand that some banks must of necessity give their acceptances when drawn upon by their foreign correspondents; but that is a very different thing from the mode of raising the wind so much adopted during the past year. (Hear.) I am sure that if the banks in this town conduct themselves with the same honorable feeling that has characterised their business relations for so many years, and not bring banking to the level of huckstering—(hear)—that the great career of prosperity is in store for all of us, and that each succeeding year we shall show to our respective shareholders evidence of an increasing and prospective prosperity. (Much applause.)

A vote of thanks to the chairman of the day concluded the business of the meeting.

DEVON AND CORNWALL BANKING COMPANY.

The thirty-third annual meeting of this company was held at the B. Plymouth, on the 17th February; Joseph Collier Cookworthy, Esq., M.P., in the chair.

The following report was read:—

"The directors of the Devon and Cornwall Banking Company have much pleasure in meeting the shareholders on the return of the period appointed for making their annual report of the result of their transactions for the past year. The company at present consists of 317 shareholders holding 4,000 shares. The past year has been distinguished from several former years by a larger amount of profit than usual, arising chiefly from the high value of money. At the end of the first half-year the directors were enabled to add to the capital of the company the sum of £4,000 being at the rate of £1 per share, upon which sum it will be proposed to pay a dividend at the rate of $12\frac{1}{2}$ per cent. per annum shall be paid for the past half-year, in accordance with a resolution of the shareholders meeting held on the 12th day of February, 1858. The accumulating fund having reached the sum of £8,955. 11s. 1d., during the past half-year, the appropriation of profits at the close of the year, the sum of £3,000 will be further added, making an additional capital of £12,000 throughout the year, and which sum, at the rate of £3 per share, will hereafter participate in the usual annual dividend. The paid-up capital of the company therefore stand thus at the close of the year:—4,000 shares on which £12,000 per share has been paid, say £112,000; guarantee fund, £60,000; balance of accumulating fund for further appropriation, £955. 11s. 1d. The directors have visited and carefully examined the bank in all its branches.

tion both safe and prosperous. The year of profit, the directors have thought it works should participate in some degree in the they have appropriated a sum of 10 per cent. gratuities. The profits of the bank during ance for bad debts and the other appropriations e directors to recommend that a dividend of d for the last half-year on the capital of the dividend of £1. 11s. 3d. paid in the former th the wish of the shareholders expressed at ors have devised a scheme for retiring allow- ers and clerks of the bank, and they submit d regulations for its government, to the con- The shareholders will hear with regret that neral manager, after thirty-three years of e, desires to withdraw from the cares and directors propose to offer him, when that time at at their board (under article 12 of deed of ing pension as, if not equal to his deserts, will , and (they are happy to learn) will content

ber, 1863, £100,000; added from				
, 1864, £4,000, ditto, December	...	...	...	...
...
interest, notes, &c.	...	...	1,276,386	5 11
...	...	...	60,000	0 0
, 1863, £2,235. 4s. 7d.; added to	...	...	...	...
d., £12,955. 11s. 1d.; transferred	...	...	...	...
1864, £4,000; Ditto ditto Decem-	...	...	...	...
...	...	...	955	11 1
			<u>£1,449,341</u>	<u>17 0</u>

ent accounts, bills of exchange,				
ld, at Plymouth and the branches			£1,449,341	17 0
			<u>£1,449,341</u>	<u>17 0</u>

PROFIT AND LOSS ACCOUNT.

PAID.

es of establishment, appropriated	...	...	...	...
, 1864, £6,250; reserved for divi-	...	...	...	...
...	...	...	12,750	0 0
...	...	...	10,720	6 6
			<u>£94,061</u>	<u>4 6</u>

RECEIVED.

count	...	...	...	...
			£94,061	4 6
			<u>£94,061</u>	<u>4 6</u>

The following resolution was passed :—" Resolved, that a dividend of £1. 12s. 6d. per share be paid to the proprietors, in addition to the dividend of £1. 11s. 3d. paid on the 1st of September last, being at the rate of 12½ per cent. per annum on the paid-up capital, as the proportion of the dividend to be divided, agreeably to the recommendation of the board of directors."

CONTINENTAL BANK CORPORATION.

THE third half-yearly ordinary meeting of shareholders was held on 27th February, at the London Tavern; Mr. W. W. Cargill, M.P., in the chair.

The following directors' report was taken as read :—

"The report and balance-sheet, which the directors now submit to the proprietors, for the half-year ending 31st December last, are not such as they would have wished to present on this occasion. Unlike the report for the first six months of 1864, which showed a most satisfactory result, the present accounts exhibit a considerable loss, by the failure of customers during the late commercial crisis. Under these circumstances, the directors deem it their duty to make the shareholders acquainted with the precise condition of affairs, to exhibit the whole loss incurred, and to lay their suggestions as to the best mode of dealing with it. After a careful examination of the accounts at the head office and branches, the total loss is found to amount to £19,500; and, after deducting therefrom the net balance of profits, £5,090. 1s. 6d., and the reserved fund, £1,000, the remaining deficiency is £13,409. 18s. 6d. This sum the directors recommend should be written off capital account. While regretting the result, the directors look forward with every hope to the future. A successful business has been obtained, the rate of current profits since the last year's accounts were closed has very much increased, and a profitable market has been opened up of extended connections of a most profitable nature. The amalgamation to which reference was made in the last report, having been carried out, it became necessary, for the requirements of the bank, to add to the paid-up capital by calls on the shares, viz.:—the original shares on 10th September, and £5 on 10th December on the new shares, £5 on 1st October, and £5 on 2nd January. These calls have been fairly met, and there still remains £10 to call on the new shares, to make them equal to the first issue. The directors are enabled to make a judicious purchase of a freehold site for a permanent office, in Clement's Lane, Lombard Street, and they have since commenced building suitable premises at a very moderate cost, which they will be ready for occupation in the course of the present year. The directors retire from office on this occasion, namely, Messrs. William Maxwell and Robert Alfred Routh, who, being eligible, offer themselves for re-election; and Messrs. Alexander Robertson and Edward Chalmers, the auditors, who retire in accordance with the articles of association, also intimated their readiness to offer themselves for re-appointment."

Balance-sheet, December 31st, 1864.

LIABILITIES.

First issue, £125,000; 2 instalments, second									
0, making £175,000; less arrears—first issue,									
ond, £2,585—£8,950, making £166,050; 3rd									
n second issue—payments in advance, £1,000	£167,050	0	0						
r accounts	147,989	1	2						
domiciled	282,821	2	9						
and loss, after deducting all charges, rebate									
ce.	5,090	1	6						
... ..	1,000	0	0						
	<u>£603,950</u>	<u>5</u>	<u>5</u>						

ASSETS.

... ..	£27,588	14	4						
... ..	88,835	1	1						
... ..	464,551	0	10						
nd fittings	1,265	11	10						
nses and cost of establishing London office,									
at Marseilles and Paris	6,477	4	6						
ite in Clement's Lane... ..	15,222	12	10						
	<u>£603,950</u>	<u>5</u>	<u>5</u>						

PROFIT AND LOSS.

ward	£5,090	1	6						
	<u>£5,090</u>	<u>1</u>	<u>6</u>						
of profit and loss	£5,090	1	6						
	<u>£5,090</u>	<u>1</u>	<u>6</u>						

a remarked that when they met in July last the aspect of
 edingly encouraging; whereas now they had to present the
 the past six months which were disclosed in the report.
 nothing to say in extenuation, except that many other
 as young as themselves had been equally unfortunate, and
 establishments better able to bear them had experienced
 g to their greater means and stronger position, without
 ng their dividends. The position in which the Continental
 placed during the past six months was peculiar. Their busi-
 d to foreign transactions, carried on sometimes on their own
 netimes on joint account with correspondents in different
 The amount of money employed under the head of "current
 nts," was £147,989, and of "bills payable and domiciled,"
 the other side were bills receivable, £88,835, and current ac-
 l. Now, a very large amount of these items on both sides were
 hat was, entries made to show transactions which were not
 usactions. (A shareholder asked for explanation.) One

illustration would answer for the whole. Take the case of a bill. When the correspondent abroad wrote that he had domiciled a bill at the Continental Bank, it was placed to the debit of the bank. It was not an absolute liability, but a possible liability, and the bank had to put it down to the party on the one side, and to "bills done" on the other. Now, the difficulty which they, in common with other institutions, experienced in carrying on business with foreign correspondents, was this, that when anything occurred which shortened credit in London, it shook individual credit, correspondents abroad were very chary in their operations. Correspondence and drawings were limited, and transactions were carried on with banks such as theirs on the terms the market would allow. The consequence was that, in periods of extraordinary pressure, very few bills from correspondents were sent to London, and such bills as were sent had to be done at a rate which rather injured the position of the bank with the correspondents. The exposure of the case of the Messrs. Gladstone, a member of whose firm was for many years a member of the Continental Bank board, gave rise to an impression that the bank was so mixed up with that firm that serious losses would result from the connection; and this operated doubly to their prejudice, by injuring their credit on the one hand, and preventing business coming in on the other. During the months of September, October, November, and part of December, it was only by the personal exertions of the directors that they were enabled to stem the torrent. Last year an amalgamation with another bank was thought of, but the negotiations went on for some time, and the board was not unanimous in favour of it, and there was no doubt a great regret that it had not been carried out. But that was a reason which had been obliged to make a call at a time which must have injured the position of the bank. He was happy, however, to find that the shareholders had liberally responded to that call, thus evincing confidence in the concern and in the direction, and that notwithstanding the evil reports that were in circulation, their bankers—the London and County, and Messrs. Barclays—stood by them, and were their best friends. (Hear, hear.) He was happy to say that the operations of the bank in November and December had been upon a largely extended scale, and that foreign correspondences had been re-opened, and the profitable business they were now doing justified the directors in believing that a bright future was before them. In reply to letters received from shareholders offering various suggestions, he begged to say that if such suggestions for amalgamating with other banks were made, they would be considered and submitted to the shareholders; but it was not for him to go to other institutions and solicit them to take them over. In answer to a letter which complained of the purchase of a new set of offices of the bank, he added that the site acquired in Clements Street would afford them an opportunity of obtaining suitable offices at a lower rate than they could rent them, or if they did not choose to do so, the ground might be resold at a handsome profit. After some further remarks, he moved the adoption of the report.

A Shareholder—Do you expect that there will be any return on the estates of the defaulting debtors, reducing the amount of the losses?

The Chairman—Since we made up the accounts we have received communication from one of the branches, stating that the amount of the loss down in their case was excessive, and that some arrangements had been made which would reduce it from 25 to 30 per cent.

questions in reference to the loss sustained through Mr. other subjects,

replied that they had no direct transactions, he was happy Mr. Gladstone, the bills they held with that person's name of bills remitted from abroad, having upon them, as they called, excellent names in addition. One of the parties had a partner who had not, seemed inclined to litigate his liability on which amounted to half of the total loss the bank had sustained, against this they took possession of the shares which bore Mr. Gladstone's name. The calls in arrear were not large. The last was on the last call upon the old shares, which was only made up. The arrear on the second issue was only £2,285. The retirement of Mr. Wade (about which a question had arisen in whom a more valuable colleague he had never sat beside; and the only reason why he resigned was that he found the work too much for him. Mr. Maxwell, so far as he knew, intended to continue to give them his very efficient assistance. Mr. Wade had also retired from the direction, had rarely attended the meetings of the board, and had become disqualified.

On adopting the report was seconded by Mr. Maxwell, and unanimously.

The retiring directors were re-elected.

On returning thanks, intimated that as many shareholders of the Provincial had joined this concern in consequence of his name being on the direction, he should always consider it his best to promote the interests of the Continental. He mentioned the elements of success, and that a very different representation was presented at the meeting in July next.

Mr. Wade was also re-elected, and 20 guineas a year awarded to them for their services.

Mr. Wade seconded the motion, explained that he had retired from the direction with regret, but he had done so only because having much to attend to he found his duties as a director of the Continental were telling seriously upon his health.

A resolution was next passed, authorising the directors to reduce the value of the shares, the foreign correspondents urging that it was too high that £100 a share was too high an amount.

A resolution was then made special, and a resolution was proposed and carried for the board to extend the capital from £1,000,000 to £2,000,000 in order to enable them, if the offer should be made, to effect a union with some other banking company. It was stated that the kind was at present under consideration, and that the bank would certainly not be issued below par.

Thanks to the chairman and directors concluded the proceedings.

OTTOMAN FINANCIAL ASSOCIATION, LIMITED.

A general meeting of the members of this association, which was convened for the 15th, but was then adjourned in consequence of the illness of the chairman.

quence of the delay in the receipt of the accounts, was held on February, at the London Tavern; Mr. G. P. Kitson in the chair.

The Secretary (Mr. J. W. Lambert Smith) having read the minutes of the meeting, read the following report:—

"The directors have the pleasure to submit to the shareholders the balance-sheet and statement of accounts, duly audited, to the 31st December, 1864. The business of the association commenced in London on the 1st June. The Smyrna branch was opened in August, and the Constantinople branch in September. The directors propose that the financial year shall terminate on the 30th June in each year. They will furnish, for the information of the shareholders, accounts and balance-sheet to the 31st December last, and they recommend that a dividend of 10s. per share be paid, that £2,000 be put to reserve, leaving a balance of £6,833. 1s. 6d. to be carried forward. They feel that, notwithstanding the recent critical state of commerce and the opposition of competitive establishments, they have good reason to congratulate the shareholders upon the success which has been achieved by the association, and they have the fullest confidence in the future prosperity. Mr. Mavrogordato, director-general of the Constantinople administration, has arrived in England to represent the shareholders of Constantinople at the general meeting, to confer with the London board as to the organization of new branches and as to Turkey, and to devise measures for the future extension of the Association. The auditors appointed by the board, pursuant to the articles, Messrs. James Cooper (of the firm of Messrs. Johnstone, Cooper, W. Evans) and Mr. Edwin H. Galsworthy. These gentlemen are being eligible, offer themselves for re-election."

Balance-sheet, 31st December, 1864.

Dr.

Capital called up, viz.:—London £10 per share on 10,000 shares, £100,000; less arrears, £656—£99,350; Constantinople, £10 per share on 4,675 shares, £46,750; less arrears, £3,567—£43,183; Smyrna, £5 per share on 2,045 shares, £10,225; less arrears, £350—£9,875	£152,125
Sundry creditors on bills payable, current deposits, and other accounts	406
Profit and loss account, as per annexed statement	23
	£581

Cr.

Cash in hand at bankers' and on deposit in London and branches	£82
Bills receivable	92
Investments and loans	396
Office furniture in London and Turkey	...
Preliminary expenses:—In London, £7,414. 10s. 7d.; opening branches in the Ottoman Empire, £2,179. 9s. 6d...	9
	£581

PROFIT AND LOSS ACCOUNT.

g salaries, Directors' fees, sta-					
rent in London and at branches,					
... ..	£6,007	12	1		
share	8,360	0	0		
... ..	2,000	0	0		
ount, subject to an amount for					
(00	6,833	1	6		
	£23,200	13	7		
... ..	£23,200	13	7		
	£23,200	13	7		

ing its adoption, said that he hoped the result
 ld dispel the dissatisfaction which had been
 of the shareholders. The board proposed to
 end upon this occasion, in consequence of the
 hort a time in operation previous to the 31st
 efore proposed that the financial year should
 une next. It was obvious that they could only
 e current half-year upon the business initiated
 e thought from the character of the business
 in the commencement of the association they
 statement than was ever shown in the accounts
 y had had to contend, not only with the diffi-
 the recent commercial crisis, but the opposition
 t required the most strenuous efforts on the part
 d maintain the character of the institution in
 occasioned them no small anxiety. Happily they
 ssed through the ordeal unscathed—(cheers)—
 ss; and their credit had been established not-
 ty might have said to the contrary, and not only
 ed in placing the new issue of shares in Turkey.
 had nothing to conceal, and he was quite ready
 l the information he could without prejudicing
 had business transactions with the company.
 a great deal of dissatisfaction should have been
 of the board, because he had been made aware of
 had been taken to excite distrust and anxiety
 olders, but the board really courted publicity
 had been said that they had behaved with great
 the capital in various channels, such as loans to
 s to contractors and others, as if there had been
 the directors to ruin the concern. Those were
 ld be substantiated, but as they were really very
 ue nothing but senseless clamour. They had
 the most respectable and responsible persons—
 red, and one which would prove highly remun-
 the last meeting that they were prohibited from
 the company anywhere than in the Ottoman

empire; but the articles of association really gave the business elsewhere, and finding that there were difficulties establishing branches in Turkey, which difficulties were not to the shareholders, they did not consider as men of business ought to let the shareholders' money lie idle if they could remunerative business in England pending the completion in Turkey. Those branches being now completed, the opinion that they ought to confine their operations to Turkey. Their capital at present was small, and their business was would absorb the whole of their means; therefore it was of the board, except in very special cases, to divert the purposes for which it was originally subscribed. (Cheers a very unpleasant duty to perform, namely, to comment on a member of the board, which he could only stigmatise and as having no parallel in the annals of public commerce where a director for his own private purposes has attended the association with which he was connected. ("Heard no," and interruption.)

Mr. Farley (the director referred to) rose in much excitement that he could not allow the chairman to make statements of character and honour without giving him the flattest contradiction.

The Chairman repeated that he knew of no parallel to a director had endeavoured to destroy the credit and reputation of the association, and to damage the property of the shareholders. ("No, no," "Yes, yes," cheers and counter cheers.) He was using strong language because Mr. Farley had in a pamphlet him and just published calumniated and defamed his colleagues, although he had signed a declaration of secrecy, he had violated the private correspondence of the association. (Gentlemen.) Any gentleman who could be guilty of such conduct did not sit at that board, and while he did, the scandal would stick to him and prevent them from being an association which could do anything. He concluded by moving the adoption of the report.

Mr. Holroyd seconded the motion. He thought it due to his colleagues to make a few remarks upon a circular addressed to the shareholders, but not to all. The pamphlet Mr. Farley displayed the basest ingratitude, as well as the grossest injustice, in which he had revealed the financial transactions of gentlemen who do business with the association, in a manner calculated to ruin them and cries of "No, no.") There was no man in the room who could justify the betrayal of the secrets of others who came to the association relying on their honour, for the purpose of entering into business transactions. (Cheers.) What people would do business with an association where private affairs were to be the subjects of public discussion, it was to be questioned in print, and that print circulated in every country? It would be the destruction of any financial system. He regarded the business the directors had done, they had given no attention to it; they were very large shareholders, and did the work he would sit at the board, having the large stake in the company, had, if such transactions were to be entered into as Mr. Farley had led them to believe had been? He considered the pamphlet a calumnious attack. (Cheers, and cries of "No, no," confusion and uproar.) He hoped the shareholders would support him and that Mr. Farley would be expelled from the directors' renewed uproar.)

etted to see discord reigning among the members minded them that a house divided against itself had looked through the articles of association, and do business elsewhere, and they had the word of the business they had done had been profitable, and that now the branches in Turkey were complete fine their operations to Turkish finance. (Hear,

ed the strong expressions that had been used by Holroyd. He was of opinion that the intention of ion was that their business should be restricted to finance, and that the board was wrong in engaging erence to the Gellivara Company and the Mold and which some members of the board were directors. had been exceedingly indiscreet in embarking in such

ed out that directors were generally chosen from s mainly on account of their connexions and the d of bringing business to the company. (Cheers.) that the question was whether the business thus actory character.

at he subscribed for his shares on the strength of prospectus, and he wished to ask one or two plain urther a certain advance was made to an American unt of security was received in return, whether the een dishonoured or renewed, and what amount had isbursement in connection with the advance to the

ed that not a shilling advance was made to any hat the securities taken by this company were such e first financial associations in London; not one t by way of disbursements, and, in fact, for every company had made a penny. No acceptances had he would say, although he protested against men- e first banks and bankers in London had undertaken e the acceptances. (Cheers.)

dered the explanation highly satisfactory, and asked ns in question had been profitable. ed in the affirmative.

on from Mr. Way, that with respect to the £5 paid-up shares in Smyrna, eive a *pro rata* dividend, but that as a matter of ple shares had been put on the same footing as the gh they had been taken up later than the English n up at par, when they were in fact at 3 or 4 discount

d that it would be more satisfactory if some of the rley's pamphlet were answered, and that as Mr. ctor-general of the Constantinopolitan administra- many of his letters had been published, he might s own part, he concurred in the opinion of those dered that the operation of this agreement ought to ottoman finance; and he must express his astonish- lluded to were opened according to the pamphlet,

at the time when letter after letter was being written by Mr. Mavrogordato asking for capital to be employed in Turkey. He urged that they were satisfied with the statements of Mr. Mavrogordato, the explanation of the chairman, to continue to repose confidence in him.

Mr. Farley asserted that every word of the letter he had written was true. He was not the only one who had protested against the executive committee; for his colleague, Mr. Neill, had also done so. He repeated that the branch at Smyrna was organised before the action of which he complained took place. The branch at Smyrna was based on a capital of £25,000, £10,000 of which was sent in the remainder was to be sent the following mail, but it was not yet locked up in the Continental Bank. (Hear, hear.) He proceeded to Constantinople to organise the branch there. The organisation was completed by the 5th of July. He telegraphed the fact on the 10th of July on the day after the credit was given to the Gellivara Company. (Hear, hear, cheers, and confusion)—and on the 13th of August, the £50,000 was given to the International Contract Company, and it was his duty to tell them that though that credit was due on the 1st of August, the acceptances remained unpaid. (Great uproar in the hall, in which the chairman rose and accused the hon. director of perjury.)

Mr. Farley could only tell them that Mr. Neill placed his protest in the books of the board. (Confusion.)

Mr. Holroyd—This comes of Mr. Farley's violating his declaration of secrecy.

Mr. Farley denied it entirely, and said that if his declaration of secrecy was to prevent him referring to such improper practices as that of the trustee for the shareholders—it was neither more nor less than a compact. He appealed to Mr. Neill.

Mr. Neill stated that he had disagreed with the majority of the board in reference to giving that particular credit, and had placed a protest in the books, but he did not think that, because he was out-voted, he was in violation of the declaration of secrecy. He thought with other shareholders that business ought to be confined as much as possible to Ottoman affairs. He believed the transaction in question a perfectly safe one, guaranteed by a very powerful company, and they had a commission before the bills reached maturity, to the effect that the arrangement was not quite mature for the railway concession for which the credit was given, and that the Austrian minister wished to hold the securities over for some time in the position they stood, without presenting the bills. It was their board that they would not be prejudiced, but have the same securities, and there was no ground whatever for insinuating that the acceptances were held over for their convenience. They were simply at the instance of the Austrian minister, because the commission was not yet been made.

The Chairman added that not a single shilling of the capital of the company had been locked up or diverted. True, they had given a commission, but it was a simple security lodged with the Austrian minister as a guarantee for a concession which had been signed by the Emperor, but it had not yet passed the Reichsrath. The acceptances were not a negotiable security, but a guarantee in the portfolio of the Austrian minister.

Mr. Mavrogordato then addressed the meeting in French, his speech being translated by Mr. Sarell. He expressed his astonishment that his private letters should have been published by Mr. Farley.

part, and spoke of the extracts printed in the arguments. He stated that Mr. Farley, being the one with whom he was acquainted, he naturally on being appointed director-general of the Constantinian Association. He pointed out to Mr. Farley that a very great difficulty was in establishing itself in Turkey, and that it was to maintain their influence, to enlarge their capital by the issue of shares in Turkey. The issue of those shares under unfavourable circumstances, at a time when the market in London. He was under the impression that they had done something to improve them, but notwithstanding the issue of the shares was on the point of being commenced, when a great depression took place, the shares were going on favourable went down 4 per cent., and 6 per cent. discount. He wrote to Mr. Farley and he received a statement that altogether presented a very different picture, that he felt bound to take care of the interests of the shareholders, whom the Constantinopolitan board had incurred responsibility. He regretted that as Mr. Farley had stated in his letters as to preserve and publish them, he had published the statement he made in his letter of the 10th of June, stating that the member of a board who revealed the secret of a society, deserved the greatest blame. (Cheers.) He had then addressed the subject at Constantinople, and his colleagues in London, and to inquire into the real cause of the depression received by the board most fraternally, the board had given to his inquiries, and he had thoroughly ascertained the state of danger in which he believed the company to be. (Cheers.) He was obliged, therefore, to state the evil, and he found it in the disunited state of the company in the carrying out of the business, he found it was to have a competent manager, well acquainted with the business of the Levant, and that, to remedy the evils occasioned by the disunion, it was necessary that the board should take place, it was necessary that the board should take place. In conclusion, he observed that it would be for the benefit of the society to divulge the arrangements now being made, £6,000 alluded to by Mr. Farley in his pamphlet, he was convinced that no loss, or at most a very trifling loss, would be the result of that transaction. (Cheers.)

The auditors of the company, next addressed the assembly at great length, in which he stated that the very best of the company in respect to the business they had conducted, and that the board were negotiating for such an amount of capital that it was probable that their shares would be in a position in a few months. He pointed out the necessity of raising the £4,000 which the articles of association required them to take, they had only taken £1,000. He stated that it was in contemplation at this moment to appoint a committee of managers to manage their affairs, and he had no doubt that the shareholders reposed a proper confidence in the directors, and that they would exhibit a very different state of things.

The resolution was unanimously adopted. He then enquired of Mr. Farley whether he intended to

resign, but he replied that he declined to go into that question and it was not pressed.

A dividend of 10s. per share, free of income-tax, was declared.
The auditors, Mr. James Cooper (of the firm of John Wintle and Evans) and Mr. E. H. Galsworthy, were severally

On the motion of Mr. Beyfus, seconded by Mr. Sarell, a resolution was passed to the chairman, who acknowledged the company's meeting separated after two hours' angry and acrimonious

LONDON, BIRMINGHAM, AND SOUTH STAFFORDSHIRE BANK.

THE third ordinary meeting of the shareholders of this company was held at the head office, 110, Cheapside, on the 28th of February 1864, and was occupied by Mr. John Bethell.

The following report and accounts were read by Mr. John Bethell, secretary:—

"In submitting their third half-yearly report to the shareholders, the directors regret that they are unable to declare a dividend, on account of the long and heavy pressure on the money market, during the close of the past year, although entailing comparative loss, having indirectly tended to the lessening of the profits of the company, as be seen on reference to the annexed accounts. The balance sheet has been examined with the utmost care by your auditors, who are professional accountants of known repute, shows that on the half-year amount to £13,146. 13s. 4d., which, added to the £4,206. 10s. 7d. brought forward from the last audit, makes a total of £17,353. 3s. 11d.; but, after payment of all expenses, wages, and making the most ample allowance for all doubtful debts, there is an actual deficit of £4,874. 10s. 8d. Although it is believed that the business of the bank is still profitable and increasing one during the current half-year, and that the business of the bank is still entertaining the same views as expressed at the last meeting, and having regard to the present most unjust position of the shares of the bank on the market, have concluded a provisional agreement for the transfer of the bank to the European Bank, Limited, on terms which they recommend to be advantageous to the shareholders, and which will be submitted to the shareholders at the extraordinary general meeting convened for this purpose. If the shareholders agree to this arrangement, it will be necessary to carry out this arrangement, it will be necessary to liquidate the bank voluntarily, and a resolution to this effect was passed at the said extraordinary meeting."

Balance-sheet, 31st December, 1864.

LIABILITIES.

Capital paid up on 5,000 shares at £22 each, £110,000; in advance of calls, £237; on 3,524 new shares, £10,572; less calls in arrears, £246—£10,326	...	...	...	...	...
Amount due on customers' balances, deposits, &c., £158,401. 14s. 8d.; liabilities on acceptances of the bank, £48,262. 5s. 7d.	...	...	...	...	...

ASSETS.

...	...	...	...	...	£20,828	3	4
loans, &c.	...	...	...	...	280,938	17	3
furniture, fittings, &c.	...	...	...	...	10,496	18	3
ences	...	...	...	...	10,088	10	9
t and loss account	...	...	...	...	4,874	10	8
					£327,227	0	3

PROFIT AND LOSS ACCOUNT.

customers' balances, deposits, &c.	...	...	...	...	£4,035	9	5
es, including salaries, rent, rates, taxes,	...	...	...	...	5,447	10	9
es, &c.	...	...	...	...	12,744	14	5
al debts and commission on issue of shares	...	...	...	...	£22,227	14	7
					£13,146	13	4
mission	...	...	...	...	4,206	10	7
t and loss (old account)	...	...	...	...	4,874	10	8
ace-sheet	...	...	...	...	£22,227	14	7

an—There is one point I wish to draw your attention to, of saving time and obtaining regularity in our proceedings. ally, two meetings here to-day: the first is the ordinary shareholders of this company, and the second is an extra- ing, called for the purpose of considering whether it is not to amalgamate this bank with the European Bank, ink the meeting will excuse me for suggesting it; but it desirable that at this, which is only an ordinary meeting, old confine their observations merely to the matters of the ss, and let us postpone the question as to whether it is er into this amalgamation, till the extraordinary meeting. Well, gentlemen, in moving the resolution which I have ely, that the report of the directors, together with the f the company to the 31st of December, 1864, be received come before you with feelings of very deep regret that the cumstances of the last six months of 1864, which occasioned not only to this bank, but to other banks, have placed us on that, instead of being able to pay a dividend, we have to

But, gentlemen, I find, on looking at the accounts of other ave been published since Christmas, that our losses are great as some of them. I find that in the Metropolitan Bank they were £63,000, and these losses not only absorbed profits, but also £40,000 more out of the reserve fund. In ank they were £241,000, which absorbed all their profits, bout £61,900 out of the reserve fund. In the Mercantile and t the losses swallowed up all the profits, and £32,000 more. that our loss has left a deficit of £4,800 odd, and it is in that that the directors have considered the question of and have received various overtures from different quarters; ment and provisional agreement have been entered into, and

will be submitted to you at the extraordinary meeting which after this. As all the questions relative to that amalgamation reserved for this extraordinary meeting, I do not know anything further to add, except to say that I shall be happy to give an explanation upon any item which any shareholder may require.

Mr. Friedlander complained that the losses were really appeared by the balance-sheet, and said he considered the management of the bank had been very bad throughout. He could not understand how the directors could take their fees in the state the bank was in, and said that his own opinion was that the amalgamation was a waste of time and money, and that the bank was better than winding up. (No, no.) He should certainly like to see the directors had taken for fees.

The Chairman—During the past six months we have had no fees, nor had we anything during the first period of the amalgamation. During the first six months of 1864 we received £10,000, which is all we have ever had for our services. (Hear.)

Mr. Catterall said there was commission put down for the amalgamation, and he would ask the chairman to tell the shareholders exactly how much had been spent in the issue of these shares, and who placed them in the market.

The Chairman said he had no objection to tell the shareholders the transaction which had taken place. The great difficulty in the amalgamation had been its small capital, which rendered it almost impossible to make a profit which would cover the expenses, and also to increase the capital. The directors, therefore, thought it advisable to increase the capital as they could. There were 782 old shares which had not been taken up, and the directors also wished to issue some new shares. A gentleman offered to take the whole of the 782 old shares, and also to secure the bank should pay on 2,000 new shares, on condition that he should pay a brokerage of £2 per share. In olden times that brokerage had been thought a very high one, but in the present time it was not so. In such cases, been far exceeded. However, the result was that he had taken up the old shares, upon which he paid £17,204, and 2,000 new shares, which the directors disposed of 1,500 more, although the amount at which they were taken up upon these new shares amounted to only £10,326, the full value of the shares had been made. The premium received on the selling of the old shares was £3,573, and that formed part of the sum of £4,200 and odd which was due from last account. The result of these transactions was that the bank had to pay commission upon the shares taken up of £5,500, and received by premium £3,573; or, to take it in another form, the bank had paid for a subscribed capital of £94,431. With respect to the market, that was a thing the directors had always strenuously maintained, nor would they, under any circumstances, have lent themselves to any proceeding. (Hear, hear.)

The Rev. Mr. Middlemist said that whilst he regretted the result of the last meeting boldly stated the position of the bank, still he was referring to that subject now, and he recommended the shareholders to do the best thing they could do now, to adopt the report. He thought that if not all, of the directors had done their work to the best advantage, and certainly he should not be one to deny them fair remuneration. He would second the resolution for the adoption of the report of the directors, and the shareholders would, at the extraordinary meeting, endeavour to carry out the amalgamation. (Hear, hear.)

Mr. J. King spoke to the same effect, and recommended the

proposal for amalgamation, believing that was the best way of their present difficulties.

on for the adoption of the report was then put and carried. on of Mr. Rawlins, seconded by Mr. J. King, the retiring John Bethell and Mr. J. O. Mason, were re-elected.

on of Mr. Marsden, seconded by Mr. Catterall, the auditors, mp (of London), and Mr. E. Laundry (Birmingham), were

r. Middlemist said as this concluded the business of the ng, he should wish, before proceeding to the next business, ial vote of thanks to the manager, secretary, and other ank. (Hear, hear.) He himself had always received the y from all, and he had always found the manager cautious s; and he certainly thought they ought not to separate y those gentlemen a vote of thanks. (Cheers.)

ump seconded the motion, and said that as auditor he could mony to the excellent manner in which the officers had r duties.

n was carried unanimously.

was then made special for the purpose of considering and ovisional agreement entered into between this company and Bank, Limited, for the transfer to the latter company of this company, and for the purpose of passing a special resoinding-up of this company.

n, in introducing the subject, said that for the past two or the directors had experienced considerable difficulty in business, owing to the smallness of the capital. They very dered the subject, and as they did not see any great prosug the capital they thought it would be desirable to amalme other bank. Negotiations had been entered into with and after fully considering the subject the directors conamalgamation which they now recommended was the best of the shareholders. The agreement had been sealed and European Bank, and it only required the consent of that e it binding on both parties.

at with respect to the amalgamation was then read by the principal point was that the European Bank was to allot lers in this bank 5,440 shares of the capital of the Euroon which £15 had been credited as paid. It was also £6,000 should be left in the hands of the directors of the gham, and South Staffordshire Bank, in order to enable nsate the officers.

e shareholders objected to this £6,000 being so appropriated, an explained that some of the officers had been engaged for certain, and of course a fair compensation must be paid

der thought the best plan would be to wind up the affairs d not amalgamate. (Loud cries of "No, no.") He believed would not cost so much by 50 per cent. as the amalgama-

) sion ensued, of which we can merely give a summary.

Middlemist asked who would take the premises?

r replied that of course the liquidators would take the

Mr. Higgins suggested that two shareholders should be appointed as joint liquidators with Mr. Kemp.

Mr. Erskine expressed his opinion that it was illegal to reduce the shares. He did not see how they could convert, say £800 into

The Solicitor said that what the directors proposed to do was legal. This was not a conversion of shares—that would be to issue eight shares upon which £3 had been paid were put together, and the European Bank gave the shareholders of this bank £15 for each share. He also stated that as the meeting was for a special object no other business could be proposed; the resolution must either be carried as proposed or rejected.

Mr. Schlesinger could not see that the shareholders would benefit from the amalgamation, and agreed with Mr. Friedland that the shareholders would be better off if the company was wound up.

Mr. Kemp said that as he had had something to do with the management, perhaps he might be permitted to say a few words. (He rose.) When it was found that in consequence of the smallness of the operations of the bank had been restricted, efforts had been made about an amalgamation, but these had failed from the enormous expense of getting over little points. It was comparatively easy to lay down a broad principle of agreement, but when the details came to be considered they would be found excessively difficult to arrange. He himself was auditor in both banks, and possessing the confidence of both banks had been the means of arranging the terms of this proposal, and he thought it was the fairest which could be drawn up under the circumstances. Different clauses were most carefully considered and weighed.

A Shareholder—I will ask whether, if the assets of the bank are only £14 per share, have you any hesitation in pledging yourself that there is no risk to the Birmingham shareholders, or will they have to else to pay to the European Bank?

Mr. Kemp said there was no risk whatever, except the possibility of having to provide a small sum for his own remuneration. No other amount was not found quite sufficient. In joining the European Bank the shareholders must bear in mind that they were joining a bank which was in a good position—which had not only a large and a large subscribed capital, but also a reserve fund of between £20,000 and £30,000; and he would put it to any shareholder whether he thought that they should go in and participate in these advantages with some equivalent. By joining the European Bank the shareholders retained shares upon which they could realise at once. If the bank was wound up, as suggested by one or two shareholders, not only would there be a great expense, but all chance would be destroyed of retrieving their property, whereas in joining another successful bank the shareholders reasonably hope to see their property again become valuable. With reference to what had been suggested by a shareholder—namely, that two responsible persons should be selected to assist him in the liquidation, he had no objection whatever to such a course being adopted. He concluded by remarking that if the arrangement was carried out he believed the shareholders would have great reason hereafter to commend themselves upon the results which would ensue from the amalgamation. (Cheers.)

The Rev. Mr. Middlemist and Mr. John King also expressed their opinion that the best course for the meeting to adopt would be to carry the agreement.

then moved "That the provisional agreement which had been made with the European Bank be confirmed," which was carried, and upon being put to the meeting the resolution

—There is another resolution which is necessary for the completion of this transaction, and I will therefore move, "That the agreement with the European Bank, the London Birmingham and South Staffordshire Bank be confirmed, and that Mr. Charles F. Kemp is hereby appointed to be paid such proper professional charges as he is entitled to."

was carried by Mr. Rawlins, and carried unanimously. A discussion then ensued as to the desirability of appointing two assistants with Mr. Kemp; and eventually, at the request of the committee, Mr. Kemp selected two of the shareholders—Mr. Adams and the Rev. Mr. Smith—to assist. At the same time it was explained that Mr. Kemp was the sole responsible legal liquidator.

The resolution was then passed to the chairman, and the proceedings

ESTATES BANK.

At the second ordinary general meeting of the proprietors of the Estates Bank, Limited, was held on the 1st March, at the Free-Trade Hall, London, Thomas Hattersley, Esq., the chairman of the bank, presided.

There was a very crowded attendance. Mr. Horner, the general manager and secretary, read the following report:—

"The year has been one of severe financial stringency; nevertheless, we have much pleasure in recording that the whole of the capital of the bank, £100,000, was subscribed in a few months. In the resolutions adopted at two special meetings, the capital having been £500,000, a second issue of £100,000, and part of a third of £100,000 have been applied for. There are now upwards of 2,000 shareholders. It will be seen that although the bank is in its infancy, it has already received £2,318. 12s. 6d. on deposit, debenture, and current accounts. At the meeting of the directors, the consulting actuary, W. S. B. Woolley, Esq., made a careful valuation of the long-period mortgages of the bank, and he certifies the amount thereof at £43,707. The advances amount to £1,405. 14s. 5d., and have been made on the security of all securities. This department has only recently come into operation, and the gratifying fact that, whilst shares generally have been falling, the bank has received £1,389. 5s. 11d. in premiums, &c., shows that the public are not slow to appreciate its progress. The progress of the bank in Ireland has been of a remarkable character, such as to convince the board that the sister country affords a large field for operations. The business of the year shows (after payment on deposit, debenture, and current accounts) a balance to credit of £7,614. 13s. 11d., which the directors have appropriated in payment of current expenses, £20 per cent. on preliminary expenses, £15 per cent. of amount paid for Alliance Assurance Society, and a dividend at the rate of £7. 10s. per cent. per annum (after income-tax) on the paid-up capital, leaving £2,000 of pro-

fits to be placed to a reserve fund, and £78. 1s. 6d. to current account."

The Chairman moved the adoption of the report and dividend it must not be forgotten that, while they were a bank, they were a limited sense, but they were a building company on an extensive scale. As a building company they embraced all the practical and efficient features of a building society without its risks, and they differed from a building society in two important particulars. The first was, that they did not discount bills, and the second was, that they did not allow their customers to overdraw their accounts. So that while they did not discount bills, neither had they the profit arising from this of banking business, nor did they realise the large amount of profit on overdrawn accounts. The steady progress that was made in the first issue of 10,000 shares was very encouraging to the directors, and the rapidity with which the second issue was sold was truly amazing. The standing the premium that was placed upon them, and they had but the sale of the third 10,000, which was now in the course of issue, would be equally gratifying. There was another department of the business equally cheering, viz., the amount of current accounts, deposits, and debentures, making a total of over £32,000, whilst the paid-up capital was under £21,000. In this respect the business had only just begun to show matters of this kind it was useful to inquire how they stood in comparison with their neighbours. There was a bank of great respectability in London which had £260,000 on deposit and current accounts, and it had six branches, being an average of £10,000 for each branch. The Bank had £32,000 in hand, on deposit, debenture, and current accounts, which gave £16,000 for each of their offices, and was equal to higher than the other bank referred to. After showing that even in the case of a run the bank had nothing whatever to fear, the chairman proceeded to say on various paragraphs of the report. He proceeded to say in reference to the debit side, you will see that after the whole of the expenses have been paid, the interest on deposits and debentures there is a balance to profit and loss account of £7,614. 13s. 6d. Your directors intend to dispose of in the following manner:— preliminary expenses, £2,936. 12s. 5d.; to £20 per cent. of preliminary expenses, £1,500; to £15 per cent. of amount paid for Alliance Building Society, £500; to profits reserved, £2,000; to dividend at £7. 10s. 6d. £600; to balance to next account, £78. 1s. 6d. Through the sale of shares in the present year, at a premium, say of 10s. a share, a sum will be realised, which the directors hope will enable them to pay the remainder of the preliminary expenses in the next twelve months, which will then leave the profits on the business for this year to be appropriated to dividend and current expenses. We hope to be able to do this out during the present year; but in order to do it effectually the directors will require the hearty support of all the proprietors and tenants to take up shares and connect themselves with the bank. I have great pleasure in moving the adoption of the report." (Loud applause.)

Mr. Job Cauldwell, F.R.S.L., deputy-chairman, seconded the adoption of the report, and said that he felt sure that the whole of the proprietors would regard the progress of the bank with satisfaction.

The resolution having been carried, the Chairman stated that the dividend would be payable in London and Dublin to all shareholders in arrear of calls on and after the 14th of March.

an moved the re-election of Job Cauldwell, Esq., Hubert
 , and Geo. Henry Money, Esq., to seats on the board.
 having been put from the chair, was carried unanimously.
 an proposed the re-election of the auditors, Walter
 , and W. Wellen Smith, Esq., which was seconded by Wm.
 , and carried unanimously.

an proposed the following resolution :—"That the thanks
 ors be presented to the directors for their services during
 and that 400 guineas be awarded them in addition to the
 fixed by the articles of association."

Benoni Beal seconded the resolution.

on having been carried, the Chairman briefly responded on
 board.

an moved "That the thanks of the proprietors be presented
 board for the care and attention they have devoted to the
 bank in Ireland."

Dibley seconded the motion.

on was put and carried unanimously.

e officers of the bank having been given,

an proposed "That the proprietors of the Estates Bank,
 g that a well digested Mortgage Debenture Bill would prove
 cal utility, feel bound to resist those clauses in the bill
 o the House of Commons by Lord Naas, the chairman
 Securities Company, Limited, which would exclude the
 and all similar companies having shares of less than £50
 less than one million from the adoption of its provisions."

I. Money seconded the motion, and said that Lord Naas's
 only exclude the Estates Bank but also the Land Mortgage
 a, the Crédit Foncier of Mauritius, and other great

on was put and carried unanimously.

te of thanks to the chairman concluded the proceedings.

EUROPEAN BANK.

inary general meeting of the shareholders of this bank was
 n March at the London Tavern; Mr. C. B. Colchester in

y having read the notice convening the meeting, the follow-
 taken as read :—

ors congratulate the shareholders on the prosperous condi-
 property, the European Bank having passed successfully
 e financial crisis. The directors regret that, owing to the
 d varied nature of the accounts, they have found it quite
 withstanding their utmost exertions, to prepare an exact
 e accounts in time for the present meeting. But they are
 le to add that the gross profits of the bank since the last
 £60,000. After deducting from that sum the current
 e on bills, making a full allowance for bad and doubtful
 ing off the proportion of preliminary expenses in accordance
 es of association, a net profit remains of more than £30,000.
 recommend that a dividend of 7s. 6d. per share be declared,
 te of 7 per cent. per annum on the mean capital, which will
 t. 17s. 6d.; out of the remainder the directors propose to

carry £10,000 to the reserve fund, and the balance to profit account. The directors have to report satisfactory progress of the bank. The various branches are gaining the support of the mercantile communities of the Continent, and have yielded profitable results, with the exception of that at Paris, which have been in the administration of that branch, and with a view to its improvement are under consideration. An arrangement has been entered into for the transfer of the London, Birmingham, and South Staffordshire Bank, and the directors consider advantageous terms, and further negoti- progress which will tend to strengthen the position and business of the bank. The directors do not contemplate the opening of new branches; their attention will be mainly directed to the improvement of those at present established. The rapid increase of the business at the head office has rendered an extension of the premises necessary. The directors have, therefore, the pleasure of informing the shareholders that they have secured on very reasonable terms the lease of the premises now in part occupied by the bank. The retiring directors, Mr. Phelps, Phillips, Wehner, and Schimmelpenninck, who are retiring by election; the first three offer themselves accordingly. Mr. Harding, of Bank Buildings, and Mr. Edward Hamilton, of Change Alley, who are duly qualified shareholders, have given notice that they intend to offer themselves as candidates for seats at the next meeting.

The Chairman, in moving the adoption of the report, observed that the last six months were months of trial, anxiety, and depression, rarely been known in this country, and that depression had manifested itself with great severity upon the mercantile community, but more especially upon young banks and monetary establishments. Indeed, precisely the institutions which had suffered most from the depression of credit for at least three, or perhaps four, months had been affected in England, France, Spain, Italy, and Holland. In every difficulty had combined to discourage and almost destroy banking and financial undertakings, but notwithstanding all this, and the various rumours which were set afloat upon all sides, to the credit of young banks, this institution had managed to pass the period of trial with perhaps the smallest loss of any establishment of the kind in London. (Cheers.) Under the circumstances it was not possible to avoid making some losses, but there was not on the part of the directors looked with anything like fear. They were confident that the losses must naturally have occurred in the regular course of business, and not caused by any operations of which the directors could be held responsible. He regretted that at the present meeting they were unable to present the detailed accounts of the half-year, which had been only received from their various correspondents, so that it was impossible to have all passed and audited in time for the present meeting. He was obliged to take the figures as it were in the rough, but at the same time those which had been given in the report might be relied upon with perfect confidence, and they would find that, taking them on the narrowest basis, a gross profit of £60,000 had been earned. (Cheers.) From items which reduced that gross profit to £30,000 consisted, in the first instance, of interest on deposits and loans, amounting to £6,000; bad debts in Paris, London, and the branches, amounting to £10,000; and the remaining £14,000 was made up of bills not yet due, the expenses of management, and 5

portion for the reduction of the preliminary expenses, and so. He thought that, inasmuch as they had no less than 100,000 shares, the shareholders would not consider those charges excessive. Some of the shareholders might think the directors too conservative in the proposal of a 7 per cent. dividend, and that a larger dividend might be very safely declared. That matter, however, was well considered. The directors had looked at the position of the bank, and they had found that those which held a high position in the estimation of the public, as proved by the large amount of deposit accounts, were precisely those which had set aside a large sum, and they had therefore come to the conclusion that until they had a fund of at least £50,000 they had no right to deal more liberally with the funds placed at their disposal. (Cheers.) He was sure that the directors who duly considered this matter would agree with the directors that it was of vital importance to new establishments of this kind to be too lavish in the division of its profits. (Cheers.) He had mentioned in the report to the somewhat unsatisfactory position of the bank. That branch certainly had not been so successful as it had made some profit. The bulk of their bad debts was not so large, but even after paying off all those bad debts there was still a balance to the good. It was intended to make some alterations in the management of that branch, and they confidently expected that at the next meeting they would have a much more satisfactory account to render of that branch. They also believe the arrangement which they had made with the directors of the London, Birmingham, and South Staffordshire Bank would increase the capital, but bring a considerable accession to the bank. The confined state of the premises had hitherto been a drawback to them, but he was happy to say that probably at the next meeting they would be in possession of premises which would enable them to transact with care and comfort the large additional business. The amalgamation with the South Staffordshire Bank would be a great advantage to the three gentlemen who retired from the direction of the bank, and they had offered themselves for re-election, and notice had been given of the retirement of two other qualified shareholders to offer themselves for election. The board considered it their duty to support gentlemen who, in their opinion, were well qualified to pilot the ship through the storm, and ought not now to be complaining that they were in comparatively smooth water. With respect to the directors who had offered themselves for that office, he could only say that there was really not any room for them, the board being at present composed of seven, if not too large. It had been already reduced from sixteen to fourteen, and they were at present engaged in some business, which, if they should be successful in carrying out (and he was confident they would), would necessitate the addition of two or three more on the board; and, if so, they would be most happy to have them. He would conclude by making the formal motion that the gentlemen now brought forward, or any others whom the shareholders thought would be able greatly to promote the interests of the bank. He would conclude by making the formal motion that the resolution be adopted, and a dividend of 7s. 6d. per share be declared, to be paid after the 15th March.

He then seconded the motion.

He then inquired whether the chairman could tell them when the accounts of the bank would be ready.

He then said that they would be placed in the hands of the directors in a fortnight or three weeks, and in reply to further questions that the addition now proposed, the reserve fund would amount

to £33,000. (Cheers.) Mr. Kemp, one of the auditors, had gone to audit the accounts, and those from other branches had been sent to the head office in London to be audited. In Holland they had a consultative council, which, among other duties, performed that of examining the Rotterdam and Amsterdam accounts before they were sent to be audited. The accounts have been all sent in, so that the results of the audit were not matters of guess, but were derived from figures. The reason they were not now in the hands of the shareholders was simply that the board had not as yet had time to put them into print.

A Shareholder inquired what proportion of the preliminary expenses remained unpaid; and what was the annual proportion of payment.

The Chairman stated in reply that the annual proportion of expenses fixed by the articles of association was 10 per cent., and that the amount remaining to be paid was £16,000.

The report was then unanimously adopted.

The Chairman next proposed the election of the three retiring directors.

Mr. Hodges objected to the proposition for the election of directors coming from the chair, and complained that the position of several gentlemen on the board was not so good for the interests of the company as that of some other gentlemen in the City, whose accession would add great strength to the company. He did not say a word against the present directors, but he thought that if, as the chairman had said, the board was too large already, they ought not to proceed to re-elect them.

The Chairman said that the directors placed themselves at the hands of the meeting; at the same time he thought he could not, on the present occasion, than propose from the chair the names of the gentlemen who had borne their fair share of trouble and anxiety, and who had contributed by their labours to establish the bank. He should therefore, propose their names from the chair, and at the same time leave it open to any shareholder to propose others.

Mr. Michell then proposed the name of Mr. R. T. Harding, seconded by Mr. Hodges, and loudly cheered by the meeting.

The Chairman then proceeded to put the question that the retiring directors be re-elected, when several of the shareholders excepted to the form in which the question was put, and a rapid discussion ensued as to the mode in which the election should take place, but eventually

Mr. Ferneux proposed as an amendment that upon the present occasion only one director be elected, which was carried unanimously.

The Chairman then put the names of the retiring directors separately. Mr. Harding seriatim, when the latter gentleman was elected by a large majority.

A special vote of thanks was then given to the retiring directors on the motion of the chairman, seconded by a director, a vote of thanks was given to Messrs. S. J. Jitta and Schroeder, the consultative directors of Holland, for the great services they had rendered to the company. A similar compliment was paid to Mr. Brightrooll, the manager, and to the chairman and directors, for their attention to the affairs of the company. The proceedings terminated.

MERCHANT BANKING COMPANY OF LONDON, LTD.

The second ordinary general meeting of the shareholders of this company was held on the 9th March at the London Tavern; Mr. J. Pater was in the chair.

report was read:—

In their first annual report, the directors congratulate the company on the favourable results of the operations of the company for the year ending December last. By the statement of accounts, made up to the 31st December, it is seen that the gross profits (including a sum of £10,000, the value of the company's premises over the cost thereof) amounted to £644. 7s. 3d., and that after the payment of current expenses of bills, and making provision for bad and doubtful debts, there remains an available balance of £44,556. 7s. 7d., which the directors intend to be appropriated as follows:—£4,666. 13s. 4d. to the dividend of 9s. 4d. per share paid to 30th June last; £10,000 to the purchase of £1 per share, being, together with the above interim dividend, a rate of about 12 per cent. per annum; £10,000 to the amalgamation account; £10,000 to reserve fund; £3,750 to the directors, for remuneration to directors and auditors, and payment of tax; £1,000 to the reduction of preliminary expenses; and the balance to be carried forward to new account. It is satisfactory to the directors to show that in the purchase of the premises from J. Johnston and Co., at £10,000, they have secured a very valuable property, for which they have since been offered the sum of £10,000 estimated profit thereon has been applied by them to the amalgamation account. As the steady progress of the Company indicates that an increase of capital can be beneficial, the directors have resolved upon the issue of 5,000 new shares, of which 1,800 shares will be appropriated to the late firm of J. Johnston and Co., in fulfilment of an agreement with them for the residue allotted at par to the present shareholders, in proportion to their existing interests. The directors regret much the death of M. de Castro, one of the original partners, Messrs. Crazer, Esq., John Paterson, Esq., and Edward Weston, Esq., in the direction at this meeting, but, being eligible for re-election, they have accepted of the office accordingly."

Balance-sheet, 31st December, 1864.

viz., £22. 10s. per share on 10,000 shares,					
calls in arrear £1,010	...	...	...	...	£223,990 0 0
due to credits and securities, and amounts due to					
current and deposit accounts	...	...	...	...	1,443,228 4 9
added to profit and loss account, viz., gross profits					
£3d.; increased value of premises £10,000	...				64,644 7 3
					<u>£1,731,862 12 0</u>
by bankers, and at call	...	...	...	...	£126,821 4 8
advances, securities, &c.	...	...	...	...	1,461,005 2 3
preliminary expenses	...	...	...	...	3,239 18 5
fixtures, &c.	...	...	...	...	1,296 6 8
premises at 28, Cannon street	...	...	...	...	20,000 0 0
amount—amount paid H. and J. Johnston & Co.					
of their business	...	...	...	...	100,000 0 0
					<u>£1,731,862 12 0</u>

PROFIT AND LOSS ACCOUNT.

From the 1st December, 1863, to the 31st December, 1864.

Dr.

Current expenses, and provision for bad and doubtful debts ...
 Rebate on bills discounted and not yet due ...
 Amount (being increased value of premises) transferred to amalgamation account, £10,000; amount transferred to reserve fund, £10,000; amount transferred to preliminary expenses, 1,000; dividends, viz.:—Interim dividend on paid-up capital of £125,000, to 30th June last, £4,666 13s. 4d.; dividend of £1 per share, now recommended, £10,000—£14,666 13s. 4d.; amount carried to suspense account, for remuneration to directors, auditors, and for income-tax, £3,750; balance carried forward to new account, £5,139. 14s. 3d. ...

Cr.

Amount of profit brought down, viz.:—Gross profits, £54,644 7s. 3d.; increased value of premises, £10,000, ...

The Chairman, in moving the adoption of the report, expressed the results would be considered in all respects satisfactory. Since the meeting they had passed through ticklish and difficult times, when it was necessary to act with caution, and to curtail rather than to extend operations. They had in consequence felt compelled to decline many profitable business; and although they had not altogether eschewed for which full provision was made in the accounts—they were now to show a net profit at the rate of 30 per cent. on the average of the paid-up capital. At the previous meeting they had paid a dividend at the rate of 10 per cent.; and it would be recollected that the directors would not have made that interim dividend unless they had felt satisfied that they were making a profit at 10 per cent. It was gratifying to find that the performance in respect outran the expectation, and he was happy to add that other banking institutions had suffered in credit and character during the period of financial pressure, not the slightest breath of suspicion had been breathed against the Merchant Banking Company, whose position was as high as ever. (Hear, hear.) The directors had felt some anxiety as to the apportionment of the profits, but he thought they had reached the right conclusion in devoting £10,000 to a further dividend of 10s. (in addition to the 9s. 4d. per share paid in June last), being a dividend between 11 and 12 per cent.; carrying £10,000 to the reserve fund, so that the reserve £15,000; writing off, not one-tenth, as was usual, but nearly one-third of the preliminary expenses; placing the value of the premises in Cannon Street, purchased from Messrs. at the price they originally cost them, or less than half their present value, to the reduction of the amalgamation account; allotting, with the approbation of the shareholders, £3,750 to the suspense account for remuneration of the directors and auditors and payment of interest, and carrying forward to the credit of the new account £5,139. It might be supposed that where the profits were so large the apportionment would be proportionately great. But it was not so. The business of a bank consisted in affording facilities to merchants trading in all parts of the world, who, by applying to the bank, could receive a credit at

for any goods they might there purchase, thus avoiding the sending out gold, and the charge for freight, insurance, and interest. For this, of course, a commission was charged, and the bills of lading—a margin of 25 per cent. upon the full but very exceptional cases preserved, in order to secure the possibility of loss by depreciation of value. In addition of lading, the policy of insurance was also deposited with the bank to protect them in the event of the loss of the cargo by fire.

There was other business which came to them collaterally, such as operations, insurance, and brokerage, connected with these which produced a profit in the shape of commission. Likewise the bank in Manchester, sent out a large cargo of manufactured goods to any other port, the Merchant Banking Company took a lien upon the goods, allowing the merchant to draw at so many days' sight from the bank, which the consignment was likely to reach its destination, of which the bank's agents in all the great trading ports, they had the most complete information, as well as of the position and character of the consignment. The security, therefore, was of the best description, and really less risk than was associated with ordinary banking business. The deposits of the bank were increased at such a rate that the directors' capital might be safely and profitably employed, and it was explained in the report—proposed to issue 5,000 new shares which were, under the terms of the agreement, to be applied to the firm of Messrs. H. and J. Johnston and Co. in fulfilment of the agreement entered into with them, and the residue allotted at par to the present shareholders in approximate proportions to their existing interests, and expressing his readiness to afford any further information required.

The chairman, deputy chairman of the board, seconded the motion, and it was carried unanimously.

The dividend at the rate of 12 per cent. per annum, was then declared, and made in ten days, this being in addition to the interim dividend paid at the last meeting. £3,000 was voted to the suspension of remuneration to directors and auditors, as suggested in the report, the chairman explaining that this was equal to about £175 to each director. When it was considered that they had upon the board gentlemen who were well acquainted with trade and practically acquainted with the mercantile world, and the various parts of the world with which they had business, it was decided to give them their best attention to the operations of the bank, he thought it was too much.

The directors—Messrs. L. Fraser, J. Paterson, and E. Weston seconded, and votes of thanks to the chairman, board of directors, and the company for their services during the past year were carried.

A AND MASTERMAN'S BANK, LIMITED.

At the annual general meeting of the shareholders of this bank held at the London Tavern on the 11th March, Mr. George Gordon presided and occupied the chair.

The Chairman (Mr. Mackintosh Balfour) read the notice containing, and also the following report of the directors:—
In submitting to the proprietary the audited accounts

for the year ended 31st December last, beg to report that, after ample provision for bad and doubtful debts, the available £263,120. 8s. 6d. Out of this sum the directors have paid two dividends at the rate of 10 per cent. per annum each on the original capital of the bank, adding a bonus of £2 per share for the first six months per share for the second six months, thus making the total dividend for the year 20 per cent., free of income-tax, on the original capital of sterling. The directors have also paid a dividend at the rate of 10 per cent. per annum on the new capital of £500,000, adding a bonus of £2 per share, together equal to 20 per cent. per annum, free of income-tax, on the half-year just ended. The balance of £16,321. 11s. is carried to credit of profit and loss account for the current year. The directors have the pleasure to report that the amalgamation with the partnership of Messrs. Masterman, Peters, Mildred, & Co., has been successfully completed, and that the new capital authorised by the special resolution passed at the extraordinary general meetings of the company, on the 7th and 21st May last has been subscribed. Every arrangement necessary to the amalgamation has been made, and the Directors, after fulfilling all engagements into which they entered, have been able to maintain a reserved fund of the bank to £500,000, at which they propose to stand in future years. The sanction of the Board of Trade has been given to the present designation of the bank, and the directors have introduced a Bill in Parliament for an Act to enable the bank to divide their shares. At the last annual meeting the directors have opened a sub-branch of the bank at Melbourne. They have also arranged for the sale, on satisfaction of the premises, No. 27. Cannon Street, and of the building now occupied by the branch of the bank in Calcutta. The present auditors beg to report, in terms of the deed of settlement, offer themselves as auditors of the bank for the year ending 31st December 1864.

Balance-sheet, December 31st, 1864.

Dr.	LIABILITIES.
Paid-up capital	£1,500,000
Reserve fund	500,000
Amount due by the bank on customers' balances, fixed deposits, and note circulation in China	5,900,000
Ditto on acceptances by head office for branches and country banks	4,400,000
Ditto on exchange accounts, letters of credit, circular notes, &c.	4,800,000
Profit and loss	200,000
	<hr/> £17,500,000
Cr.	ASSETS.
Cash in hand and at call at head office and branches	£1,900,000
Government securities	300,000
Discounts, loans, credits, &c.	6,000,000
Other securities, including gold and silver bullion, bills purchased, &c.	8,800,000
Freehold premises in London, Edinburgh, Calcutta, Bombay, Madras, Agra, Lahore, Shanghai, and Sydney, and leasehold property at the other branches	200,000
	<hr/> £17,500,000

No. 2.

d Loss account, from January 1 to December 31, 1864.

pend on paid-up capital at 10 per cent. per					
f-year ended 30th June	...	...	...	£50,000	0 0
share	...	...	...	40,000	0 0
end on old shares at 10 per cent. per annum,					
ended 31st December	...	...	...	50,000	0 0
£8 per share	...	...	...	60,000	0 0
end on new shares at 10 per cent. per annum,					
ended 31st December	...	...	...	23,399	8 9
£1. 5s. per share	...	...	...	23,399	8 9
forward	...	...	...	16,321	11 0
				£263,120	8 6

... ..	108,338	0	6
£263,120	8	6	

Reserved Fund Account, 31st December, 1864.

of reserved fund	...	...	...	...	...	£500,000	0	0
						<u>£500,000</u>	<u>0</u>	<u>0</u>
December, 1863	...	...	...	...	...	£225,000	0	0
as per report	...	...	...	...	...	275,000	0	0
						<u>£500,000</u>	<u>0</u>	<u>0</u>

He said—"I rise to move the adoption of the report that has a copy of which has been in the hands of the proprietary but previously to doing so, I propose, as is usual on the present (when we have the pleasure of seeing so many shareholders assembled together), to enter into some matters referred to in the report, as well as to offer a few which I trust may prove interesting and acceptable to your administration of your affairs, which have been under our eye the past year. In the first place, I would remark that at the thirty-first annual general meeting of the Agra Bank, which has been held since it was amalgamated with another, under the present designation of the Agra and Masterman's Bank; that it cannot fail to be highly gratifying to you to be aware that the amalgamation has been completed in the most satisfactory manner. (hear.) There must be, as I dare say many of you are

aware, considerable difficulty, in bringing two large establishments together and into good working order, even where the accounts kept on the same principles; but in our case the difficulty increased, from the circumstance of the accounts of the two banks having been formerly conducted upon two different systems, which necessitated a fusion of time and of extraordinary labour on the part of our establishment. Some estimate may be formed of the value of extra labour that was thus imposed on our establishment, when you that it required for months the daily attendance of a large number of our staff many hours after the usual time of business before the difficulties were surmounted, and a correct and complete fusion of the accounts accomplished—a result most creditable to all concerned, and obtained in the midst of the late commercial crisis, which of itself was sufficient to tax the best energies of any banking or commercial establishment. It is now, therefore, a very pleasing part of my duty to express how much we owe to, and how highly the board of directors value the great ability, zeal, and perseverance displayed by our managers, and the combined staff under their supervision at a time of so much importance—(hear, hear)—and I feel very sure that you will be gratified to learn that the directors have recognised and appreciated the interests of the bank in a liberal and substantial manner. (hear.) Having made you acquainted with some of the difficulties to contend with in consequence of our amalgamation, I have the greater pleasure in referring to some of the advantages we have obtained and now enjoy. We have acquired a large increase to our business. (Hear, hear.) Secondly, we have become members of a clearing-house, a position which it was absolutely necessary for us to obtain to enable us to carry on our London business with ease and with satisfaction to ourselves and mercantile customers. (hear.) Thirdly, we have become the possessors of one of the most valuable freehold properties in the city of London. (Hear.) Fourthly, we have moreover the benefit of the advice and assistance of our new colleagues, the partners of the late firm of Messrs. J. & W. Peters, Mildred and Co., not only at our board, but daily in our board-room, which has greatly tended to keep their old and valuable connexion together, notwithstanding the numerous and various changes which have had recourse to in these days of hot banking competition (in the mildest phrase) to induce customers to take their accounts elsewhere. (hear.) You will, however, be glad to hear, managed to keep no less than we got, but we have gained an accession of valuable business, and our business continues to increase as it has done since the amalgamation. No reason why the Agra and Masterman's Bank should not, even in the oldest and greatest of its competitors in the field of public opinion. (Hear, hear.) Having now mentioned what may be considered as the practical results arising from the amalgamation, I must add that the liability incurred thereupon has been discharged, and the directors have been enabled to increase the reserve fund to £500,000 sterling, which, as stated in the report, they propose it shall stand. (Hear.) You will observe from the balance-sheet that we have taken the opportunity to classify our liabilities or engagements, so as to afford information to all, which the most eminent writers and authorities consider essential. We have given equally full particulars as to our assets. Amongst them you will see one, which I have no doubt will be of unusual annual inquiry from a shareholder (now present), and

anticipation. I allude to Government securities, which, the report, stand at £397,280. (Hear, hear.) This is largely the amount of the reserve fund, before the addition was made of the 1st January last purchases have been made which amount to £524,214. This I mention to show how keenly alive we are to the expediency of keeping at least the amount at reserve fund in Government securities. (Hear, hear.) The manner in which I would beg your attention, and upon which I think to congratulate our shareholders, is the manner in which we have been subscribed during a time when money has been dear, and when pressure has been so severe on all sides. The number of our shareholders was 725 last year, and the register is 908, a very satisfactory proof of the estimate of the bank is held by the public. You will appreciate this when I tell you that a majority of the new shareholders who are likely to benefit us as well as themselves by joining. (Hear, hear.) I shall now make a few observations on the bank during the past year, and, considering the difficulties alluded to, the large addition to our capital, and the restrictions which from the depressed state of trade it has to impose on business both at home and abroad, which has enabled us to pay dividends equal to 20 per cent on the whole capital of one million and a half sterling forward a handsome sum, cannot but be considered satisfactory. (Hear, hear.) Notwithstanding the restrictions I have in proof of them I may mention that our acceptances have been decreased by more than one million sterling) standing these restrictions, and all our caution and prudence, and station—nay, it would be untrue—if we attempted to disavow that we have suffered losses by the late failures, and heavier ere by any means pleasant; but it will be cheering to our knowledge that ample provision has been made out of the profits not only for all the bad, but also for the doubtful debts, thus positioning safe and comfortable, after the effects of a somewhat disastrous period in the commercial world. (Hear, hear.) I have learned from the public press that monetary difficulties in China, which from the very depressed state of trade we are met, and I have great pleasure in stating that at the present time we have no reason to anticipate any loss from our branches in (Hear, hear.) In Bombay there has been excessive speculation of credit, but latterly regular business appears to have been neglected, and public attention has been directed to reclamation of financial companies and new banks—a triad which was that the shares of all rose to a very high premium before they were reclaimed from the sea, or a single share allotted. I tell you that we have held entirely aloof from such business and quietly await results which a recent telegram leads us to expect not far distant. This state of things, as well as the uncertainty of cotton, led the directors some time since not only to limit business in Bombay, but to limit the shipments of gold for which purpose the sub-branch at Melbourne was established. I think I have now alluded to every point likely to be brought out should I have omitted anything, or failed in making my remarks clear on any of the subjects I have referred to, I shall

be happy to supply any deficiency that may be pointed out by my ability. I now beg to conclude by moving that the report and balance-sheet be received and adopted. (Hear, hear.)

Alderman Finnis (deputy-chairman) had great pleasure in the proposition. He felt that after the clear and lucid statement of the excellent chairman he (Alderman Finnis) need only refer to the fact and that was the very large increase of shareholders. He thought those would bring new customers to the bank, he thought they would say that next year, instead of a dividend of 20 per cent., they would receive 25 per cent. (Hear, hear.)

The resolution was put and carried unanimously.

Upon the proposition of Captain J. G. Johnston, seconded by Mr. Tulloh, the retiring directors (Major-General James Johnston, James Holland, Mr. G. Hay Donaldson, and Alderman Finnis) were unanimously re-elected.

Alderman Finnis, in acknowledging the vote, thanked the directors for their renewed mark of confidence, and assured them that the directors would do everything in their power to promote the interests of the bank. (Hear, hear.)

Upon the proposition of Colonel W. MacGeorge, seconded by Mr. Marshall, the retiring auditors (Mr. J. H. William Farr, D.C.L., F.R.S.) were unanimously re-elected.

Upon the proposition of General W. M. Ramsay, seconded by Mr. Fawcett, it was unanimously resolved that the thanks of the bank be given to the board of directors, to the general manager (Mr. John Balfour), to the London manager (Mr. W. Shipman), to the committee and managers of the branches, for their able management of the bank's affairs for the past year, and to the directors for their efficient supervision of the accounts.

The vote was appropriately acknowledged by Major Johnston. A vote of thanks to the chairman terminated the proceedings.

BANK OF AUSTRALASIA.

THE thirty-first annual general meeting of proprietors was held on the 13th March at the offices of the corporation in Threadneedle Street, London. Edward Hamilton in the chair.

The report and statement of accounts were as follows:—

“The directors have the pleasure of placing before the meeting the accompanying statements, showing the results of the operations of the bank for the financial year ending the 10th of October, 1864. It is to be observed that these results contrast favourably with those presented in the last year, considering that the business in New Zealand, where the new capital was employed, was of limited amount throughout the period to which the accounts refer, the directors hope that the statement will be accepted as highly satisfactory. The directors regret the retirement from the direction of two valued colleagues. Mr. [Name] has resigned his seat owing to long-continued illness, and Mr. [Name] in consequence of having accepted office under government. The directors will have to be filled up this day, in conformity with the provisions of the charter. The fourth series of new shares having been issued, the capital of the corporation is now augmented to £1,200,000, limited by the charter. The first instalment of £10 per

loss account from October 12, 1863, to October 10, 1864 :—
 of management—London, £11,751. 6s. 9d.; Colonial,
 Zealand, £78,823. 10s. 3d.; together, £90,574. 17s.; to
 profit of the year in reduction of the cost of bank premises,
 charges, £98,289 17s.; to half-year's dividend, April, 1864,
 per annum, and a bonus of 8 per cent., being together 14 per
 cent., or £2. 16s. per share on old capital, £63,000; to ditto
 including £75,000 new capital, £68,250; together, £131,250 :
 undivided profit, Oct. 10, 1864, £154,065. 2s. 5d.; total,
 5d. Cr.: By balance of undivided profit, Oct. 12, 1863,
 ; by profit from Oct. 12, 1863, to Oct. 10, 1864, after
 rest on deposits, and income-tax, provision having been
 ad doubtful debts, £242,923. 8s. 5d.; total, £383,604. 19s. 5d.
 lance Account, October 10, 1864.—Dr.: To specie, bullion
 bankers', £606,586. 10s. 8d.; to government securities and
 . 16s.; to guarantee fund investments as under, £200,000 ;
 11d. Consols purchased at 90½, £87,500; £25,000 Bank
 at 210, £52,500; £60,000 Geelong Corporation Debentures,
 the government of Victoria, at par, £60,000; together,
 bills receivable, securities for advances, and other assets,
 s. 5d.; to bank premises—in Australia and London,
 ; in New Zealand, £19,200; together, £169,546. 3s. 9d.;
 98 4s. 10d. Cr.: By circulation, £382,774; by deposits,
 11d.; by bills payable and other liabilities, £754,093. 3s. 6d.;
 z., old, £900,000; new, £250,170; together, £1,150,170;
 and, £200,000; by dividend and bonus due October 11, 1864,
 profit and loss account, for undivided balance, October 10,
 2s. 5d.; total, £5,110,998. 4s. 10d."

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satisfaction to report that the charges in New Zealand had been by the profits, and that the out-turning of the year had not been affected by the temporary unproductiveness of a large portion of their capital. There was a difference between finding an old business new capital, and occupying new ground. In the one case the profit would be immediate, but in the other it must be the work of time, patience and severance. (Hear, hear.) It was probable that their progress in New Zealand would be gradual, but there were circumstances concerning their business in that colony which gave assurance that before long they would obtain a good and a safe position there. The resources of the colony were great, and the development of them by immigration and the introduction of capital promised an extensive and profitable sphere of operations. It was also to be remembered that they did not go to New Zealand as strangers, but that they carried with them a good and a high reputation, earned by the uniform career they had pursued for thirty years in the neighbouring settlements of Australia. The dividend for the year ending October, 1864, it would be seen, were £144,000, £126,650 for the year ending October, 1863, the difference being only a few pounds of £18,000, or equal to 2 per cent. upon the old capital of the bank, which was the only portion that could be said to have been in active employment, as during that time the proceeds of all the new capital, as they came in, had been immediately absorbed in the initiation of new business in New Zealand. The improvement in the business in Australia was highly satisfactory, and enabled the directors to declare a dividend of 16 per cent. upon the old capital next month, in October. This he thought was matter of encouragement for the future, and conclusive evidence that the increase of the capital was at a favourable moment, and not with the view of infusing life into a business which showed symptoms of exhaustion, but rather to carry on the business with energy which had characterised the old business into a new era of operations. Had the business in Australia been less favourable, the results than in former years there might have been some question of the prudence of increasing the capital, but in the fact of the enlarging and growing business of the old branches they had the best possible evidence of the wisdom of the course the directors had recommended, and, at the same time, the best possible guarantee of its probable success. (Hear, hear.) The improvement, however great, was not sufficient to enable the bank to meet the new claims which the additional capital had entailed upon the October dividend of this year, assuming it to be at the same rate as now declared, would be found to include the dividend paid on the instalment of the new capital in October last. The total amount of the instalments of the new capital would, by the end of the year, be £31,500, or equal to 3½ per cent. on the old capital, whereas the dividend had only increased by 2 per cent. But they were in possession of a large undisturbed balance of over £14,000, brought over from the accounts of the last year, which in former years had been reserved to meet contingencies of an exceptional character, and the directors did not hesitate in the present instance to making up the dividend. It was seen by the accounts before them that they were enabled to pay both the dividends in 1865 at the same rate of 16 per cent. and carry over a balance to the next year of £1,800. It was a very favourable statement. On the other hand, he was bound to say frankly to tell them that considerable losses had been sustained by the bank in two of the Australian colonies. A liberal estimate of

and ample provision was made for them in the reserve of the losses he might mention that the managers of two had, in direct contravention of orders, involved the establishments to customers of a class which Mr. Lowe, the other even-ee of Commons, very aptly described as "dishonest adven-class which recent experience in this country had proved was ntined to the soil or climate of the Australian colonies. owledge and circumspection which the making of advances indicated was wholly unjustifiable; at the same time, con-at extent of country over which the operations of the bank s difficult to secure that constant, close, and personal super-ne want of which these disasters were often incident. In to obviate or control such indiscretions on the part of the ture, the board had determined to organise a system of ilant inspection. This would entail some increase in the s, but which would be of no importance when compared sts it would protect, and the losses it would doubtless r, hear.) It was proposed to give Mr. M'Arthur, the spector of the branches, the assistance of two sub-inspectors, under the direct orders of the superintendent in carrying system of inspection. After referring with regret to the Mr. Childers, M.P., in consequence of his appointment to a nt office, but who, when, as it was possible he might be g, relieved from his ministerial duties—(a laugh)—he hoped ed again to join the board—and of Mr. Rasch, who left in ill-health, he said that the only two candidates to fill the occasioned were Mr. Cattley, a director of the London and ank, a gentleman well known in commercial circles, and dley Smith, of the firm of Smith, Payne, and Co., with tralasian Bank has been long favourably connected. In moved the adoption of the report.

Marquhar seconded the motion.

a question,

an added that the losses in Australia were amply provided balance was struck.

asked for some explanation of the charge for the bank ondon and Australia. He believed the City premises had d in value, though those in Australia might be depreciated. know what was the value of the premises, both in the n London, and whether the £7,000 a year which was now profits on account of premises would be likely to continue. an replied that the premises in the colonies were re-valued and that they were worth the full value put down for them. 00 at which the premises stood in the account, the colonial ented all but £5,000 which was the sum at which the City ood in the books, the rest having been written off; and no doubt, if they were now disposed of, they would produce least £35,000. The rent they received for the adjoining een increased during the past year, and was now between a year.

er inquired what was the amount of the losses sustained in

an thought it better not to state that, but to leave the ands of the directors, with the assurance that they were

amply provided for. When the whole amount was definitely and the whole question was settled, the directors might think to state the amount, but not at present. The question of directors, by whose indiscretion the losses had arisen, had been lost sight of, and one of them had already gone.

Mr. Serjeant Gaselee did not think 14 per cent. was a dividend.

The resolution adopting the report was put and carried unanimously.

The directors going out by rotation (the chairman and Mr. then re-elected, and Mr. Cattley and Mr. Martin R. Smith) to fill the vacancies at the board, as explained by the chairman.

A vote of thanks to the chairman and directors concluded the proceedings.

MADRID BANK.

A MEETING of the shareholders of the Madrid Bank, Limited, on the 13th March, at the London Tavern, in pursuance of a circular by the committee appointed by the shareholders to investigate the affairs of the bank. Mr. Freebody took the chair.

The Chairman read the report convening the meeting, and the resolutions passed at this meeting would be binding on the shareholders, not on the company. The report of the committee was read, and the result of the investigation of the accounts by Messrs. Hart was referred to. The liabilities of the bank appear to amount to £25,843, to meet which there is cash at bankers' £5,103. 10s., and furniture £398. 5s. 10d. The committee in their report condemned the conduct of the directors to the unanimous conclusion that the directors throughout had been reckless disregard of the interests of the shareholders, the want of negligence and want of ordinary prudence and foresight in the management of the company's affairs, and wilful concealment from the shareholders of the true but deplorable state of the company. The committee also recommended the shareholders to support the measures taken by Mr. Treherne, solicitor on behalf of Mr. Freeman, and for winding up the affairs of the company in the Court of Chancery.

The adoption of the report was moved by the Chairman, and carried by Mr. Nutting, and carried unanimously.

It was also resolved that the expenses of the committee in the preparation of the report should be paid out of the funds of the company.

Mr. Treherne stated that the petition to wind up the affairs of the company would probably be heard on Saturday next, and moved that in the event of a winding-up order being made, Mr. Hart should act as liquidator.

This motion was also seconded and carried unanimously.

It was also resolved that the committee should watch the proceedings of the shareholders in any legal or other proceedings that might be taken against the directors for the recovery and restitution to the company of the various sums that might have been improperly applied to the funds of the Madrid bank; and a vote of thanks having been passed to the chairman and committee of investigation, the proceedings were terminated.

BIRMINGHAM JOINT-STOCK BANK.

special extraordinary meeting of the shareholders of this bank at the Exchange Assembly Rooms on the 14th March; Mr. Turner took the chair.

Mr. Turner, convening the meeting having been read, said—"Gentlemen, since our last meeting circumstances of which you are aware that render it necessary to alter the proceedings to-day. The facts are simply these—an agreement with Messrs. Attwoods and Co. to amalgamate with the bank provided the assets should be furnished subject to the order of the directors of the Birmingham Joint-Stock Bank. A list of assets submitted by Messrs. Attwoods and Co., which was not accepted. The directors of course were, as they should be, anxious to enable Messrs. Attwoods to carry out the arrangement referred to the assets back to them. An amended list of assets was submitted, which I regret to say we could not accept, and the negotiations broken off. Before moving the resolution which I have to move, I will only remark that the rumours that have been current to the large amount which this bank was to pay to Messrs. Attwoods and Co. are entirely without foundation, the amount to be paid was based on a percentage of the amount of the deposits from the bank and the trade balances were to have been made up to the amount to be paid to Messrs. Attwoods and Co.: it was not so. The resolution I have to move is, 'that the resolutions of the extraordinary meeting held on the 6th of February last, concerning the liquidation of this company with the banking business of Messrs. Attwoods and Co., be rescinded.'"

Mr. Turner seconded the resolution. Mr. Turner wished to know what the amount would have come to at the meeting proposed.

Mr. Turner could only say that they were only to pay for what they had done, and the result would have been an increase in the dividend.

Mr. Turner thought it very indiscreet at this meeting to enter into a proposition of this bank as to their future steps with Attwoods' bank.

Mr. Turner explained no question had been asked on that point, and he proposed to go into it for the present.

Mr. Turner then proposed to adopt so much of the resolutions of the meeting as referred to the increase of capital, as owing to their business consequent on the failure of the Old Bank an increase of capital was necessary.

Mr. Turner and Mr. Tindal suggested that the proper course was to carry the resolutions altogether, and hold another meeting for the purpose of raising capital.

Mr. Turner said this difficulty had now, for the first time, presented itself, and he thought it better now to move that the whole of the resolutions be rescinded, and to call the proprietors together again to meet.

The resolutions were then rescinded.

Mr. Turner said he would take this opportunity of saying, since the agreement with Messrs. Attwoods and Co. had been broken off, they

had received the strongest expressions of satisfaction as to the had pursued from that firm itself.

Mr. Burnaby moved a vote of thanks to the directors and t (Mr. Beattie) for the care they had taken of the interests of t these negotiations.

Mr. Alderman Turner seconded the motion, and said that sagacity of their directors they would have been mulct in about

The meeting then terminated.

LONDON BANK OF MEXICO AND SOUTH AMERICA

THE adjourned first ordinary general meeting of proprietors w the 14th March at the London Tavern; Mr. John Paterson in

The following report of the directors was taken as read :—

"The directors, in presenting their first annual report, have t late the shareholders on the success which has attended the op the bank from its formation, as shown in the accompanying ba duly vouched for by the auditors. From the statement of acco be seen that the gross profits, up to the 31st December last, the sum of £27,315. 8s., and after payment of current expenses ing forward to profit and loss new account the sum of £5,842. rebate of interest on bills discounted, but not then due, there balance of net profit of £13,405. 10s. 2d., which, with £52 balance of unappropriated profit to 31st March, 1864, a £13,458. 10s. This sum the directors recommend should be ap as follows: To be written off preliminary expenses, £1,000; i ment of a dividend, at the rate of 10 per cent. per annum (7s. £6,994 8s.; reserve fund, £1,000; remuneration to the dire the formation of the two companies in March, 1863, to 31st 1864, £2,500; leaving a balance of £1,964. 2s. to be carried next year's account, less amount required to pay income-tax an fees. The accounts from the Bogota branch have only been r to the 30th November last, or within three weeks of its esta The directors have, therefore, been unable to include the pro branch in the balance-sheet. The directors have pleasure in more particularly to the operations of the several branches :—

"MEXICAN BRANCH.—This branch was opened on the 1st A under the superintendence of Wm. Newbold, Esq., whose en careful management has been productive of the best results directors are pleased to be able to state that the bank has taken of the first importance in Mexico, and has realised every expect had been led to anticipate.

"LIMA AND CALLAO BRANCHES.—The Lima Branch was ha by the London and South American Bank, on the amalgamati last, and has progressed satisfactorily. The branch at Callao v on the 21st November. With a view to the enlarged operati bank in Peru, the directors on 2nd November last appoint Wallace, Esq., to be their representative in that important cou reports and accounts from Mr. Wallace give the directors every believe that the bank there will continue to make improved pro

"UNITED STATES OF COLUMBIA BRANCH.—The directors h satisfaction in reminding the shareholders that in these States enjoys special privileges—having secured from the Government,

a very valuable concession, including, among other privileges, the right of issue of notes, to be received as legal tender in payment of taxes, &c."

General Balance-sheet, 31st December, 1864.

CAPITAL AND LIABILITIES.

Capital authorised, in 20,000 shares of £50 each, to increase, £1,000,000. Shares issued:—			
Shares of £50 each, on which £10 per share has been paid up, £199,840. Less:—Arrears of call of £5 per share 29th November and 29th December, 1864,			
£.	£180,362	10	0
Deposits, bills payable, and other liabilities, £5s. 1d.; notes issued at Lima, £10,067. 1s. 8d.	266,555	16	9
Interest on bills current	5,842	16	4
Profit and Loss account—Balance of profit to 31st March, 1864, £52. 19s. 10d.; balance of profit to 31st March to 31st December, 1864, as per account, £13,405. 10s. 2d.	13,458	10	0
	<hr/>		
	£466,219	13	1
	<hr/>		

PROPERTY AND ASSETS.

Capital at bankers'	£92,551	15	3
Capital from Mexico and Lima	12,447	16	6
... ..	258,586	9	5
Current accounts, loans, &c.	67,455	9	11
Amount at debit of this account	21,800	2	10
Bank premises, office furniture, &c. (after depreciation per cent. written off at branches)	3,241	18	4
	<hr/>		
Total property and assets... ..	£456,083	12	3
Expenses—London and South American Bank, £3,692. 14s. 11d.; establishing branches, £1,745. 11s. 8d.	10,136	0	10
	<hr/>		
	£466,219	13	1
	<hr/>		

Profit and Loss Account to 31st December, 1864.

Profit in London, and branches at Mexico, Lima,	£8,067	1	6
Interest on bills current	5,842	16	4
Net profit... ..	13,405	10	2
	<hr/>		
	£27,315	8	0
	<hr/>		
Balance on 1st April, 1864, at London and Lima, and August at Mexico	£27,315	8	0
	<hr/>		

Mr. ... in moving its adoption, said that the directors had represented the whole of the accounts before this, but in con-

ted to as somewhat large, it must be borne in mind that tically two banks, the London and South American, whose penses stood at £4,697, and the Mexican, whose preliminary en £3,692, and in addition there had been £1,745 incurred the branches, representing passage money and other pay- y before they could make a start. After quoting the amount the Lima and Mexico branches up to the 28th of January, e of profit divided and carried forward, as shown in the edicating the satisfactory and rapid progress the bank was eluded by submitting the usual confirmatory resolution.

M.P. (director), seconded the motion.

er objected to the proposal in the report to vote £2,500 for emuneration.

n said that would be the subject of a separate resolution.

eholder asked for explanations as to the sixteen unissued 1,000 proposed to be set aside to reserve he thought too small, d debts being in foreign countries always very great. The eposits, and other liabilities were classified together, whereas the bills payable should be stated separately. He wished dudit or check there was on the accounts at the several

eholder inquired as to the principle on which the directors ermining what were preliminary expenses, and what were s. The directors' remuneration, which, as suggested, was nly £1,250 a year, he hoped soon to see increased. (Hear, he whole, he regarded the report as satisfactory, and was t the position in which the bank stood in the market.

ns were put, whether there was any check on the securities ? whether there was any intention of calling up more than er share on the capital, it having been stated in the o more than £12. 10s., or one fourth of the capital, would The shareholder who put this inquiry observed that if they up capital they would have very little prospect of main- dividend. The result of the last call was to reduce the value 5 per cent. While Mexico was in such an unsettled state it call up capital.

n, replying generally, stated that all the securities abroad le key, one being held by the manager, and the other by

It would be satisfactory to send over an official auditor the several branches, but that would be too expensive; it send out an inspector over all the branches, who would be munication with the directors. The security of the anies was required for all the offices. The board separated s from preliminary expenses. Safes, furniture, vaults, ed as property, and 10 per cent. was written off every year The expense of sending such things up the country was minary. The directors considered the sum set down for their ould by no means over pay them. They did not intend to work ut, and it was for the shareholders to say whether they were ed, and what remuneration they should have. During the ank had been in operation they had, he thought, done well. ould not object to add a little more to the reserve, and to end; but they thought it would be more agreeable to the ave in this the first year some return for their capital,

and though he did not anticipate it, it was necessary that there should be a small reduction in the dividend on a future occasion. The amount called up, he was himself individually against calling more than the £12. 10s. a share; but he could not give any pledge on the subject, or promise that, if the necessity should arise in the future, the business of the branches abroad, £15 a share would not be sufficient. But it would be that necessity alone that would induce them to make a further call.

A Shareholder inquired the reason that the calls had been made so rapidly, and especially what was the necessity for the last call.

The Chairman said the reason was the necessity of providing the branches with sufficient capital to work the business. The large institutions abroad, and £25,000 of working capital for each branch, no means too large. They could not have their branches abroad providing large establishments, and if they had not sufficient capital to work them the expense of those establishments would materially reduce the profits. With regard to the depreciation in the market value of the shares, there had been a depreciation in all property of the bank during the last few days.

Mr. Flux, the solicitor of the company, as a shareholder, remarked that the value of the shares in the market depended in a great measure on the confidence the shareholders themselves exhibited. They ought not to be influenced by the fluctuations in the market, but in making the recent call they had only shown that the bank was now progressing more rapidly than had been anticipated, and that more capital was needed to carry it on. For he had bought 100 additional shares recently, and although the market had fallen since, he meant to hold them as an investment. At the time the directors had been working for the Company for many years, £2,500 for their remuneration was not a farthing too much.

A Shareholder—Have you made any bad debts, and if so, what amount?

The Chairman—We have only one bill returned—the amount £500. It is accepted by one of the first houses in the City, and is rejected that there has been some irregularity in the drawing—it is a forgery. It is in the lawyer's hands, and he informs us that he shall recover the amount.

The report was then put and unanimously adopted.

A resolution, according £2,500 to the directors for their services at the end of last December, was also unanimously carried. The dividend of 7s. per share, or at the rate of 10 per cent., free of income tax, payable on and after the 29th March. The auditors were appointed, and £50 voted for their services, after which the meeting was made special, and the resolution passed at a previous meeting was confirmed. The second week in April as the latest date for holding meetings, and making the qualification of directors 50 shares. £20, the nominal value of the shares having been reduced from £50, was confirmed.

The usual compliment to the chairman and directors closed the proceedings.

ENGLISH AND SWEDISH BANK.

ary general meeting of the shareholders was held at the , on the 14th March. The chair was occupied by Mr. John

Convening the meeting was read by Mr. W. H. Clemow, the following report and accounts were taken as read:—

of the bank was commenced in temporary offices at Stockholm of February, and at Gothenburg on the 24th of March, until the 20th of June that the branch at Stockholm open its permanent premises and transact general banking at Gothenburg the permanent offices have only been the 17th of January of the present year. Their progress impeded by the legal restrictions in Sweden, prohibiting a interest than 6 per cent. That law has since been repealed, now free in Sweden: the new law did not come into operation last. The gross profits on the bank's operations 5,961. 13s. 5d., which, after paying current expenses and rate of interest on bills not due, leaves a balance available of £12,912. 11s. 3d. Of this sum the directors appropriate £1,685. 0s. 5d. in reduction of preliminary expenses to the payment of a dividend of 9s. per share free of carrying forward the sum of £2,224 to new account."

Balance-sheet from the formation of the Company to the 31st December, 1864.

1—19,519 shares of £50 each, £975,950; capital
19 shares at £15 each, £292,785; less calls in

and other accounts	...	...	...	£292,185	0	0
	...	...	...	91,281	7	5
	...	...	...	346,734	1	5
	...	...	...	2,579	19	8
balance as per account	...	...	...	12,912	11	3
				<u>£745,692</u>	<u>19</u>	<u>9</u>

at call	...	...	...	...	...	£16,919	0 10
loans, &c.	...	...	...	...	...	713,060	4 7
furniture, and other property, in London,	...	...	...	...	...	9,028	13 11
and Gothenburg	...	...	...	...	...	6,685	0 5
nses	...	...	...	...	...

PROFIT AND LOSS ACCOUNT.

, including rent, salaries, directors' remuneration	London, Stockholm, and Gothenburg	...	£10,469	2	6
" " " "	" " " "	" " " "	2,579	19	8
Balance, viz.: the reduction of pre-rentals, £1,685. 0s. 5d.; the payment of dividend per share, free of income-tax, £8,783. 11s.; thereon, £219. 11s. 9d.; carried forward to £2,224. 8s. 1d.	...	" " " "	12,912	11	3
			£25,961	13	5
			£25,961	13	5

The Chairman—Gentlemen, it becomes my duty to move that the accounts now presented be received and adopted; and in this is the first occasion the directors have had the pleasure of their proprietary, I think it will not be unfitting to give a short summary of our proceedings since the establishment of the bank. It is in doing so, that I should be in any degree an apologist for the necessity of establishing such a bank; that point was gone into, you remember, in a prospectus which was written by a party very competent to do so, and which made out pretty clearly that the trade of the country was very much increased, especially with this country, whilst the accommodation had not increased in proportion. It was the inference that there was room for a new bank, if prudently conducted, if it comprised those improvements which, we think, the English system of banking has over similar institutions in Sweden. With this was the first object of the promoters of this bank to get the sanction of the gentlemen of standing in Sweden to form local committees, not only give a sort of sanction and confidence in the town of Stockholm and Gothenburg, but also be a committee of counsel and managers who, as Englishmen, would not only be unacquainted with the language, but also strangers to the commercial community. We have succeeded; the names of the gentlemen are stated in the prospectus, you are acquainted with them. The next thing which came before the directors was the appointment of managers. This, I may say, flattering ourselves, we took a great deal of pains about, as an important step. We advertised and made inquiries, and had interviews with candidates, and it ended in our selecting two gentlemen who had had great experience in the English system of banking, one in the Bank of England, and the other in the National Bank of Scotland. We also sent out experienced accountants, and the care and attention have been repaid with success. (Cheers.) There was a further important one—to find suitable premises at Stockholm and Gothenburg. This was no easy task, for there was no great choice, but we succeeded in selecting eligible premises; but we have to regret that the negotiations which took place before we could take possession, owing to the high rents, leases, and also to our having to adapt them to the requirements of the business. We had also to contend with the difficulty arising from the high interest, which was limited to 6 per cent., whilst money here, for a part of the year, was at 7, 8, and even 9 per cent. This was a difficulty which stood in the way of success at the beginning, but that has been got over by the repeal of the law. There is no consideration affecting our business—that every new institution will take time to make its way. It is some time before the benefits of the offers to the community will be appreciated, and before it develops, but notwithstanding all these difficulties, I think the directors, with confidence, congratulate their fellow-proprietors upon a very successful amount of success. (Cheers.) They propose to divide the profits at 5 per cent., or rather at the rate of 4½ per cent. on the money advanced. You will also remark that a very considerable sum has been set aside for preliminary expenses, whilst a still larger sum is placed in reserve account. I believe I have now stated all that the case requires. I would say, before sitting down, that it was the anxious desire of the directors (as no doubt it will be yours) that the bank should be established upon a firm and stable basis, and its business conducted upon principles which experience has shown to be safe; and that in this bank we should erect an institution of lasting and stable prosperity. (Cheers.)

if any proprietor wishes for any information, or asks any all be happy to answer him to the best of my ability. I that the report and accounts be adopted by this meeting.

drew attention to the paragraph in the report in which the they were happy to inform the shareholders they anticipated from the recent failures. He believed that the directors' policies, but at the same time he should like to ask whether were safe and tangible. There was an amount of between 50,000. Was that safe and secure?

Mr. J. Holm: It is a proper and important question which the proposed. I think we may answer generally that we are fully reference to one account, which perhaps the proprietor of Mr. J. Holm—we believe we shall have to return a 7. That is the report we got from Stockholm, and we are great extent, to see with their eyes.

quired whether the directors had any intention at present further call.

Mr. J. Holm replied that the directors had no immediate intention of but of course they would do so whenever the interest of the shareholders.

Mr. J. Holm said that he should have much pleasure in seconding the report.

Mr. J. Holm said that there should have been 20,000 shares issued, but actually disposed of was 19,519, and he would like to know what was the result.

Mr. J. Holm said that when the shares were originally allotted the boards of Gothenburg had not been formed, and the directors were to serve a certain number of shares to allot to the gentlemen appointed there. Some gentlemen had not taken up their shares of the shares reserved, and that was the reason why they were not allotted. The directors would have sold them, but they were not sold, and it was thought better to hold them over for the time supposed now the shares had better remain as they were held. (Hear, hear.)

Mr. J. Holm—I should advise their not being sold, except at par or

Mr. J. Holm said he was perfectly satisfied with the explanation, and he had no doubt that whenever the directors thought proper the shareholders would willingly meet it.

The motion was carried unanimously.

Mr. J. Holm—I now beg to move that a dividend of 9s. per share (tax) be paid to the shareholders out of the net profits of the 31st of December last, and that this dividend be payable on the 21st day of March.

The motion was seconded by Mr. Tottie, and carried unanimously.

The directors, Mr. J. A. Hankey, Mr. W. Tottie, and Mr. L. were then unanimously re-elected, the chairman speaking in recognition of the services which Mr. Tottie had rendered the bank.

Members of the chairman, the auditors, Messrs. Cooper Brothers (who had been elected by the directors), were now elected by the shareholders and their remuneration fixed at £100 per annum.

The motion of Mr. Hopkinson, seconded by Mr. Graves, a vote of thanks was accorded to the chairman and directors, and the meeting broke up.

BANK OF QUEENSLAND, LIMITED.

AN extraordinary general meeting of the shareholders of the bank held at the offices of the company, 26, Old Broad Street, on the 10th of June, 1864, the chairman, Sir Joshua Rowe, C.B., presiding, when a series of judicious special resolutions proposed by the directors, respecting objectionable clauses in the articles of association, were agreed to and passed. The changes are to the following effect, namely, to give the directors power of increasing the capital of the company from the directors to the shareholders; to determine an increased qualification of the directors; to reduce the maximum amount of directors' remuneration from £2,000 per annum, and to transfer the power of appointing and dismissing the directors to the shareholders.

The Chairman, in answer to an inquiry, stated that the business of the bank was making satisfactory progress, and he could give evidence of this than by stating that since last general meeting of about five months, the deposits had increased upwards of 50 per cent. and circulation of notes 78 per cent.

A vote of thanks was passed to the chairman, and the meeting terminated.

SYDNEY CITY BANK.

THE second half-yearly meeting of the City Bank (Sydney) was held at the banking house of the company, Sydney, on the 10th of June, 1864, J. L. Montefiore in the chair.

The following report was read :—

"The directors have much satisfaction in submitting to the shareholders the following report of the business of the bank for the half-year ending 31st December, 1864.

Gross profits, less interest and exchange paid	£
Current expenses, including fees to directors and auditors, salaries, rent, stationery, &c., £3,150. 13s. 1d.; 5 per cent. of cost of repairs and alterations to bank premises, £226. 4s. 2d.; rebate on bills discounted current at 31st December, 1864, £3,007. 2s. 4d.; interest accrued on fixed deposits not yet matured, £2,723. 8s. 2d.	
Total of net profits	
Balance of undivided profits at 30th June, 1864	
Showing a present balance at credit of profit and loss of	

Which sum the board recommend to be appropriated in the following manner, viz. :—Addition to reserve fund, being 1-10th of net profits, in terms of the deed of settlement, £912 3s. 6d.; dividend for half-year at the rate of 8 per cent. per annum, £8,000; leaving a balance of undivided profits to be carried forward to next half-year, £834. 14s.

"It will be perceived, on comparing the above statement with the previous half-year, that the progress of the bank in every

fully realised the most sanguine expectations. The number of current accounts has been 60 per cent., and in the year over 80 per cent. In acknowledging these gratifying results due in a great measure to the energy of the manager, the active support of a few of the shareholders, the directors and the hearty co-operation of all the proprietary in not only supporting themselves, but in using their influence with others, the continued prosperity of the bank will be secured. The balance payable at the banking house of the company, on and to, 11th January."

Balance-sheet, 31st December, 1864.

...	...	...	...	...	...	£200,000	0	0
...	...	...	...	...	...	34,920	0	0
...	...	...	...	...	...	222,753	18	1
...	...	...	...	...	...	834	14	0
...	...	...	...	...	...	1,400	19	0
						£459,909	11	1
						£54,276	10	1
...	...	...	...	...	...	4,071	14	2
...	...	...	...	...	...	401,561	6	10
						£459,909	11	1

PROFIT AND LOSS ACCOUNT.

...	...	...	...	...	...	£3,150	13	1
...	...	...	...	...	...	226	4	2
...	...	...	...	...	...	3,007	2	4
...	...	...	...	...	...	2,723	8	2
...	...	...	...	...	...	8,000	0	0
...	...	...	...	...	...	912	3	6
...	...	...	...	...	...	834	14	0
						£18,854	5	3
...	...	...	...	...	...	£625	2	11
...	...	...	...	...	...	18,229	2	4
						£18,854	5	3

RESERVE FUND.

...	...	...	...	...	...	£11	4	6
...	...	...	...	...	...	1,400	19	0
						£1,412	3	6

Cr.

Balance from last half-year	...	...	...	...	...
Amount from profit and loss, being 1-10th of net profits	...				...

The following resolutions were then unanimously passed :—

“ That the report now read be received and adopted.

“ That the following five gentlemen be declared re-elected as directors of this bank, viz. : J. L. Montefiore, Esq., F. H. Dangar, Esq., W. Esq., A. Thomson, Esq., and S. A. Joseph, Esq.

“ That Henry T. Fox, Esq., be elected an auditor of the bank.

“ That the cordial thanks of the meeting be presented to the directors and directors for their valuable services to the bank during the year.

“ That the thanks of the meeting be given to the manager for his conduct in the management of the bank.”

BANK OF BRITISH COLUMBIA.

THE following is the report of the directors of the Bank of British Columbia, to be presented at the general meeting to be held at the Bank Tavern, on the 4th of April :—

“ The directors, in submitting their report, have to congratulate the shareholders on the success that has continued to attend the transaction of the bank. From the accompanying statement of accounts it will be seen that after paying current expenses and deducting rebate of interest due, the amount of undivided profit at the conclusion of the year ended 31st December last, was £18,680. 12s. 1d., which the directors propose to appropriate as follows, viz. :—£8,333. 6s. 8d. in payment of dividend at the rate of 10 per cent. per annum (being for six months on £125,000, and for four months on £62,500, paid 1st September 1864), £7,000 to be added to reserve fund, which will be thereby increased to £13,000; leaving £3,347. 5s. 5d. to be carried forward to the next year. The directors who retire by rotation are Mr. Mackenzie and Mr. Anderson, but, being eligible, they offer themselves for re-election. The proprietors will have to elect auditors for the ensuing year.”

Statement of Liabilities and Assets at the London Office and Branches, December, 1864.

LIABILITIES.						
Capital paid up	...	...	...	...	...	£1,000,000
Reserve Fund	...	...	...	...	...	2,000,000
Deposits, notes in circulation, bills payable, and other liabilities	...	...	...	...	...	2,000,000
Balance of profit and loss on the 31st December, 1864	...	...	...	...	...	1,000,000

ASSETS.						
Specie and bullion in hand, and cash at bankers'	...	...	...	...	...	£1,000,000
Bank premises, furniture, and other property	...	...	...	...	...	2,000,000
Bills discounted, bills receivable, government and other securities	...	...	...	...	...	2,000,000

PROFIT AND LOSS ACCOUNT.

31st December, 1864.

From 1st October, 1864	£5,000	0	0
To reserve fund	4,000	0	0
December, 1864, including rent, taxes, salaries, fees, and all other expenses at head office and	8,432	1	0
31st December, 1864	18,680	12	1
	<u>£36,112</u>	<u>13</u>	<u>1</u>
Appropriation, viz., dividend at the rate of 10 per cent. being for six months on £125,000, and for four months (paid 1st September last)	£8,333	6	8
Applied in augmentation of reserve fund	7,000	0	0
Carried forward	3,347	5	5
	<u>£18,680</u>	<u>12</u>	<u>1</u>
Profit and loss account, brought from 30th June, 1864	£11,105	16	6
Months ending 31st December, 1864, after deducting interest on bills not due	25,006	16	7
	<u>£36,112</u>	<u>13</u>	<u>1</u>
... ..	£18,680	12	1
	<u>£18,680</u>	<u>12</u>	<u>1</u>

**AUSTRALIAN MORTGAGE, LAND AND FINANCE
COMPANY, LIMITED.**

Meeting of the shareholders of this company was held on
the 14th, at the London Tavern; T. M. Mackay, Esq., in the
chair. J. Long, the secretary, read the notice convening the meet-
ing. The following report of the directors was taken as read:—
The directors feel much gratification at being able to submit a state-
ment of the affairs of the company at the expiration of the first year of
its existence, and to present prospects for the future which must be
satisfactory to the proprietors. The annexed statement of receipts and
payments shows an available balance for dividend of £3,631. 19s., which,
added to the interim dividend of £5 per cent. paid to the proprietors
on the 1st of October last, and writing off £5 per cent. from the preliminary expenses,
leaves a further payment, making up a dividend of £6 per cent. for
the 31st of December last. It is apparent that in the case
of this company whose field of operation is so distant as Australasia, a

lengthened period must necessarily be occupied in the establishment of efficient local machinery. On this account the result of a first working cannot be taken as a fair criterion of its ultimate profit. In addition to the special agency established in Queensland, the directors have made arrangements for investing capital in New Zealand, and are now negotiating for commencing business in other parts of the Australian colonies. They have thus given their attention to several distinct lines of operation, and have opened up ground for future business. The directors have also assisted in the formation of the Central and Northern Queensland Land Company, for the purchase and resale of land in that colony, which will be carried on in connection with this company. The directors have to report that they have concluded an agreement with the firm of Messrs. R. Gibbs and Co., of London, and Messrs. Gibbs, Smith and Co., of Melbourne and Geelong, for incorporating with this company the business hitherto carried on by those firms, consisting of advanced purchase of real and leasehold estate and stations in the colony of Victoria. This business has produced for years past a large and safe profit upon the capital employed; and the directors are satisfied that the arrangement now made will have the most important bearing upon the future interests of the company, and will be productive of the greatest advantages. Messrs. R. Gibbs and Co. receive payment for the transfer of their business in shares of the company, thus affording every earnest of their confidence in the union of interests thus effected. Mr. Richard Gibbs, their partner, has joined the board. A second issue of 20,000 shares has been made, of which 15,000, with £3 credited as paid, will be required for the purpose of this arrangement, and it is proposed that the remainder should be offered *pro rata* to the proprietors.

*Balance-sheet, December 31st, 1864.**Dr.*

Capital subscribed £500,000, paid	...	...	...	...	£60,000
Debenture-holders and other investors	...	...	...	...	53,200
Bills payable	...	...	...	...	35,000
Debenture and mortgage interest	...	...	...	...	1,200
Sundry creditors	...	...	...	...	900
Rebate of interest	...	...	...	...	2,200
Profit and loss as per statement, £3,631. 19s.; less interim dividend, £1,250	...	...	...	...	2,381. 19s.
					<hr/> £154,981

Cr.

Cash at bankers', £969. 17s. 1d.; balance of petty cash in hand, £2. 16s. 9d.	...	...	...	...	972. 13s. 9d.
Cash at Queensland, balance on 31st October	...	...	...	...	13,200
Bills receivable	...	...	...	...	80,500
Investments in Queensland and elsewhere	...	...	...	...	51,800
Sundry debtors	...	...	...	...	2,300
Purchases of land in Queensland	...	...	...	...	700
Office furniture, London, £133. 17s. 2d.; ditto, ditto, Queensland, £129. 0s. 6d.	...	...	...	...	263. 17s. 8d.
Preliminary expenses	...	...	...	...	5,000
					<hr/> £154,981

Loss account to 31st December, 1864.

...	...	...	...	...	3,816	18	9
land, to 31st October	...	...	...	...	520	12	1
Interest	...	...	...	...	1,651	18	3
...	...	...	...	...	2,322	1	2
...	...	...	...	...	3,631	19	0
					£11,843	9	3
...	...	...	...	...	11,631	12	3
association, &c.,	...	...	...	...	37	7	0
...	...	...	...	...	114	10	0
					£11,843	9	3
...	...	...	...	...	3,631	19	0
d in August	...	...	...	...	1,250	0	0
					£2,381	19	0

: The report, gentlemen, which is presented to
 shape of an outline, which I will endeavour to fill
 succinctly and briefly. In the first place, I
 congratulate you upon the Australian Mortgage,
 ny, and I state it not only from my own conviction
 of all, that it is not only a sound, a whole-
 prise, but it is one that, although launched at a
 excitement, will stand the test of time. (Hear,
 tant a sphere of operations as ours is we could
 ected to do much. It is just twelve months ago
 Clark, went to the colony. He did not arrive
 and it was summer before he began his opera-
 ve only a record of six months of his operations.
 o in Australasia there are none of those execu-
 ey, at all events of making imaginary wealth,
 d during the last year. I believe that there they
 ated condition that none of them know what a
 sition if any have seen a contractor's acceptance
 and I do not think they have enterprise enough
 the Feejee Islands. The securities that the com-
 be divided into three classes; first, the house
 d shop property in one or two of the principal
 e town. That class of security is in great favour,
 n upon other securities, and is much in favour
 selves. The second class of securities is of the
 streets, and although the interest upon them is
 still it is a class of security we should never
 nature of the property and the fugitive character
 mes the third class of security. That I consider
 colony—I mean the pastoral—the security upon
 old interests in the country. To that we
 attention very seriously when an opportune
 essrs. Gibbs, Ronald and Co., of London and
 en engaged in the business upwards of fifteen
 most successful in establishing a first-class

business, offering us, for a consideration, that we should take over this business. Now I confess at the first I had my misgivings about this, I was afraid there was too much of the commercial element in it; but after I had investigated the proposal thoroughly I was completely satisfied that the securities were of a first-class character. I think it is but fair to state the process by which I came to this conviction. It is simply this:—In this business there are runs situated 100, 200, or 300 miles from large towns. The supplies go up once a year—viz., everything that is wanted, with an agent in Melbourne purchases on the best terms he can, and simply pays a commission on the invoice. That gives a very considerable amount to Messrs. Gibbs, Ronald and Co. Then, again, the wool has to come to Melbourne again, and has to be sold in Melbourne or shipped to this country or to London here. Therefore, in going into this matter I saw, although not at first, by allying ourselves with a commercial undertaking, we were increasing our revenue from it to a large amount, and in the safest possible way. The security is and has been of the most ample kind; and just to show the value of it, during the fifteen years Messrs. Gibbs have been in the business they never made a single loss. (Cheers.) I therefore have more confidence in asking your support to-day to this arrangement. I am quite sure will be of the greatest value to us all. I am quite sure whoever has the honour of being situated in this place to-day, in six months will be able to declare a dividend twice as much as we have to-day, besides adding a very considerable sum to a sinking fund. (Cheers.) I am glad to say that Mr. Aitchison is to proceed to the colony to carry out this agreement. He himself is a successful squatter, and I am quite sure will ably represent our interests in ratifying this contract. With regard to New Zealand, we have only had one transaction, but that has been of a very satisfactory kind. But that will terminate at the end of the year, when we propose to appropriate the capital so employed in furthering this business in connection with Messrs. Gibbs. With regard to the Central and Northern Queensland Land Company, it was found although it might be highly profitable to invest in land with a view to its re-sale—buying in wholesale and selling in retail—it was not likely to give a good dividend to a company like this. Therefore, it was suggested, a small land company might with propriety be brought forward, and hence the formation of the Central and Northern Queensland Land Company, under the auspices of the Australian Mortgage Land and Finance Company. It is a very good thing, and has been in a great degree successful, and we are to be paid handsomely for its formation. I may mention, to give you some idea of the confidence Messrs. Gibbs have in their business, they were exceedingly anxious the whole of the purchase-money should be in shares; they were modest enough to be content with £15,000, so that at some future time they shall have £5,000 to divide. This we shall not offer at present, but at some time when the working of the contract will make them valuable shareholders. I do not know, gentlemen, that I have much more to say. I have sketched the outline of the report. All I can say is—and I say in no egotistical way—that my colleagues have been most devoted to this company; and I shall now, without further delay, move the first resolution:—“That the directors’ report of the profits of the year 1864, with the balance-sheet and statement of profit and loss account, be approved and adopted, and a dividend at the rate of 6 per centum be now declared for the year ending 31st December 1864.” Before I put this resolution I shall be glad to answer any question. (Cheers.)

on was seconded by Mr. Caird, M.P., and carried unanimously. A resolution was then made special, and a resolution adopted confirming the directors for taking over the business of Messrs.

auditor, Mr. Ball, was unanimously re-elected, and a reward of fifty guineas for his services during the past year. Thanks to the chairman and directors then terminated the proceedings.

THE UNITY BANK.

As a return just presented to Parliament of the correspondence of the Secretary of State for the Home Department and Messrs. Lewis and Lewis, on behalf of persons interested in the affairs of the Unity Bank, respecting the prosecution of Messrs. Terry and

Messrs. Lewis & Lewis to Sir George Grey, Bart., M.P.

10, Ely-place, Holborn, 19th January, 1865.
We are requested by the liquidators of the Unity Bank, who consider it their duty, in the interests of public justice, to institute proceedings against one Joseph Wakefield Terry and one Thomas Burch, and secretary of that Bank, for a series of frauds committed by them and its shareholders, to seek the aid of the Treasury in the prosecution of this case. The two defendants have both been appointed by the Lord Mayor of the City of London to take their trial at the Criminal Court; and inasmuch as the expense necessarily attending a lengthened inquiry like the present must be a great outlay, the liquidators have not funds at their command to meet the purpose. They have, however, not hesitated to incur such expenses as were within their power to bring to public justice the defendants, who, they conceive, have committed great and serious wrongs, by which they have laid themselves open to the charges now preferred against them; but they are unable to meet the expenses of the forthcoming trial. We have, therefore, on their behalf, to request you, sir, that some direction or order may be made to recoup the defendants the taxed costs to which they would then submit themselves, if further proceedings may be conducted at the expense of the Treasury. In aid of this application we may mention the case of the Royal Bazaar, which was a prosecution similar in every respect to the present, in which the taxed costs of the prosecution were paid by the Treasury on behalf of the defendants who conducted the same. We do not apprehend that the cost of the present prosecution will much exceed £1,000; but many of the shareholders of the Unity Bank having been ruined by their connection with it, and being now dead, they are unable to contribute such a sum of money, as would be of justice by the acquittal of the defendants were to follow. We are, sir, trespassing so long upon your time,

We have, &c.,

(Signed) LEWIS & LEWIS,

Solicitors for the prosecution and the liquidators.

Hon. Sir G. Grey, Bart.,
Secretary of State for the Home Department.

Mr. T. G. Baring, M.P., to Messrs. Lewis & Lewis
Whitehall, 24th January

GENTLEMEN,—I am directed by Secretary Sir George Grey to
ledge the receipt of your letter of the 19th instant, in which you
on behalf of the liquidators of the Unity Bank, for the assistance of
Government in the prosecution of the manager and secretary of the
Bank; and I am to inform you that Sir George Grey is not aware of any
peculiarity in this case to call for the special interference of the
Government.

I am, &c.

(Signed) T. G. Baring

Messrs. Lewis, 10, Ely Place,
Holborn.

Messrs. Lewis & Lewis to Sir George Grey, Bart., M.P.
10, Ely-place, Holborn, 27th January
The Queen against Terry and Burch.

SIR,—We beg to acknowledge the receipt of your letter of the
instant, in which you inform us that you are not aware of any
in this case to call for the special interference of the Government.
In reply, we beg to submit for your consideration the following facts:
the liquidators have not the funds to enable them to continue the
prosecution, and that if the Government fail to render assistance, the
defendants will not further be prosecuted, and public justice will thereby be
served. That the offence charged against the defendants is not one of
simple negligence, affecting one individual, but is a crime against the
public and commercial community of this country. We trust, for
special reasons, that our application of the 19th instant will be
favourably received. May we respectfully ask for a reply by Monday, as the
prosecutors to further prosecute must, upon that or the following
day be mentioned at the Central Criminal Court?

We have, &c.,

(Signed) LEWIS &

To the Right Hon. Sir George Grey, Bart., &c., &c., &c.

Mr. T. G. Baring, M.P., to Messrs. Lewis & Lewis.
Whitehall, 28th January

GENTLEMEN,—I am directed by Secretary Sir George Grey to
ledge the receipt of your letter of the 27th instant, and to inform you
that he sees no reason for departing from the opinion already expressed
in the case of *The Queen v. Terry and Burch*.

I am, &c.,

(Signed) G. T. Baring

Messrs. Lewis, 10, Ely Place,
Holborn.

Messrs. Lewis & Lewis to Sir George Grey, Bart., M.P.

10, Ely Place, Holborn, 7th March, 1865.

The Queen v. Terry and Burch.

I beg to inform you that this prosecution, which was originally the Unity Bank, will not further be prosecuted by the bank, there being no funds which, according to its charter, are applicable to the prosecution. We therefore respectfully call your attention to the fact that the defendants, charged with the serious misdemeanour already under your notice, will go unprosecuted unless you will give directions to the Treasury to appear on behalf of the Crown.

We have, &c.

(Signed)

LEWIS & LEWIS.

To Hon. Sir George Grey, Bart.

Messrs. T. G. Baring, M.P., to Messrs. Lewis & Lewis.

Whitchall, 9th March, 1865.

I am directed by Secretary Sir George Grey to acknowledge the receipt of your letter of the 7th instant, respecting the prosecution of The Queen v. Terry and Burch; and I am to inform you that the Government must decline to interfere in the matter.

I am, &c.

(Signed)

T. G. BARING.

Messrs. Lewis & Lewis, 80, Ely Place, Holborn.

TENDERS FOR BILLS ON INDIA.

Tenders for 30,00,000 rupees in bills on India took place on the 1st March at the Bank of England. The proportions allotted were:—To Calcutta, 10,00,000 rupees; to Bombay, 12,00,000 rupees; and to Madras, 8,00,000 rupees. The minimum price was, as before, 1s. 11½d. on Calcutta and 1s. 13½d. on Bombay. Tenders on Calcutta and Madras will receive about 17 per cent., and on Bombay at 1s. 11½d. per cent.; above these prices in full. Further biddings for tenders took place on the 15th March. The proportions allotted were:—To Calcutta, 17,26,000 rupees; to Bombay, 10,24,000 rupees; and to Madras, 2,50,000 rupees. The minimum price was, as before, 1s. 11½d. on Calcutta and Madras, and 1s. 13½d. on Bombay. Tenders on Bombay at 1s. 11½d. will receive about 13 per cent., and on Calcutta and Madras at 1s. 11½d. in full. Above these prices in full.

BANK AMALGAMATION.

On the 8th of March, the private banking business of Messrs. Call, Marten, and Co., of 10, Lombard Street, by Messrs. Herries, Farquhar, and Co., of St. James's Place, was announced on the 8th of March. The country business at present to be carried on by Mr. Marten with a new partner, Mr. John Smith, and the style of the firm will henceforth be Messrs. Call, Marten, and Co. Their London agents are Messrs. Smith, and Co., Lombard Street.

GRATUITIES TO BANK CLERKS.

MESSRS. Sparrow, Tufnell and Co., of the Bank, Chelmsford, have handsomely distributed to each of their *employes*, throughout their what large establishments over Essex, a bonus of 10 per cent each salary, and in some instances more.

Communications.

To the Editor of the "*Bankers' Magazine*."

"TOUTING FOR BUSINESS."

SIR,—In these days of joint-stock banking, we hear on all sides of great advantages the public derive from the new system, as compared with those afforded by the old private bankers; and, doubtless, the joint-stock banks have assisted and fostered the increasing trade of the country to an extent to which the resources of the private banks would have been inadequate.

Every system has its faults, and there is a practice unknown to the old times, but which has been engrafted on joint-stock banking, and is generally admitted to be an abuse, but which nevertheless is daily becoming more and more into vogue—I allude to the habit of "touting" for business. In the present day, any one who has, or is likely to have, a banking establishment is subjected to the solicitations of half a dozen rival managers, who fight over him like hungry dogs over a bone. Of late there have been amalgamations and transfers of business in the banking world, and the clients of the establishments so absorbed will testify to the truth of the statement. I fully expect, ere long, to see posters on the walls announcing that the "West Middlesex Bank, Limited," is prepared to give 10 per cent for deposits; and "sandwich" men competing with the theatrical advertisements in publishing to the world that the "North and South Poles Bank, Limited" is prepared to give their customers greater facilities than any other establishment. This, if not a particularly respectable, is at least a harmless mode of pushing, but it is not so with private bankers' solicitations for business. It is extremely important that a bank manager should be in an independent position, and able to treat with his customers on equal terms. This he cannot do with a person who has opened an account by request, and he is therefore unable to decide a question by his judgment alone, as he should do. The customer is to a certain extent the master, and can therefore tender bills of a doubtful character, or apply for a discount on an insufficient banking security, well knowing that if there is any doubt, the hint that a rival bank is more accommodating will have the desired effect. Then, again, the competition for business, and the fear of losing an account, frequently lead to the grant of credit where it is undeserved, and as the bank is supposed to have every opportunity of judging of the solvency of an individual, on the faith of credit advanced to him, the bank-trust is placed by the public, who often find when too late that they have been misled and victimised.

It is, I believe, a fact that in some joint-stock banks either a director or a seat at the board may be purchased by so many new accounts.

All this sort of thing must be extremely distasteful to gentlemen who are placed in the position of managers, reducing them, as it does, to the standing of commercial travellers. It is, moreover, very

business obtained by these practices is worth having, and I am sure that managers as a body would be very glad to get rid of such work, that I am induced to trouble you with these remarks in the question may be taken up, and some honourable arrangement be made between banks and bankers by which their respective clients may be protected and unmolested.

I am, Sir,
Your obedient servant,

J. D. F.

1st March, 1865.

BANKERS' GUARANTEE AND TRUST FUND.

I will no doubt have seen the prospectus of the "Bankers' Guarantee and Trust Fund." The object of the promoters is worthy of notice from all bank officials and their employers; but there are several points as to the constitution and practical working of the fund which appear to me (and may probably appear to others) to require attention. The prospectus gives the names of five gentlemen as trustees whenever the subscribed security shall amount to £100,000. In the meantime, I would ask, how is the association to be managed and by whom are the policies to be issued and signed? Is it to be registered as a public company, capable of suing and being sued in the name of its registered public office? These points, Sir, are of great importance. The guarantee fund of the Bankers' Association is managed, of course, within that establishment itself, and no claims as to liability can arise in case of demand upon it in the event of defalcations. But the relations of "The Bankers' Guarantee and Association" will be external to itself, and hence legal proceedings may arise that will require the intervention of a jury to settle. Claims have arisen occasionally between the guarantee societies and policy-holders, and have only been settled by legal proceedings. I think any bank would accept a guarantee policy unless it was clear that there was some person or legally constituted body to sue in the event of a claim. I beg to add that I heartily wish the association success, and I beg to state the foregoing points for information.

Yours faithfully,
Mr. Editor, to see a note from yourself on the subject,

I remain,

Your obedient servant,

A BANK MANAGER,

Who pays thirty pounds a year for his
guarantee premium.

1st March, 1865.

CHEQUE TO BEARER.

A man draws a cheque upon his bankers payable to C. D., or to the order of C. D., and endorses the cheque, and makes it payable to the order of C. D. When the cheque is presented for payment, and the bankers say they will pay it because it has not E. F.'s endorsement. Can the bankers make the cheque made payable to bearer make an endorsement payable to C. D.?

to order? And if he does so, are the bankers of the drawer of the cheque bound to pay the instructions of the payee?

February 8th, 1865.

[We apprehend that the cheque having been issued to "bearer" is not affected by any endorsement, but remains payable to "bearer."]

ENDORSEMENT OF CHEQUES.

SIR,—In your January number reference is made by one of your correspondents to your opinion, given in September last, on cheques endorsed by procuration. If I mistake not, you formerly considered it unnecessary to pay cheques so endorsed.

In this month's Magazine you do not reply distinctly to the question of a Banker's Clerk, viz.: "If cheques crossed to any particular person require to be endorsed by said bank?"

Your kind notice of the above will oblige,

Yours most respectfully,

A SUBSCRIBER.

[The question of endorsement of cheques "per procuration" was decided in the case of *Cuthbertson v. Bank of England*, tried in the Court of Exchequer, 29th June, 1860, and reported in the "Bankers' Magazine" for that year, page 550. The law respecting crossed cheques was settled by 21 and 22 Vict., c. 79, which enacts, inter alia, that "the banker upon whom such cheque or draft shall be drawn shall not pay such cheque or draft to any other than the banker with whose name such cheque or draft shall be so crossed." If the cheque be payable to "order" it will require to be endorsed by the payee, but such endorsement must not conflict with the special crossing.]

Estates of Failed Firms.

THE ESTATE OF MR. T. S. BEGBIE.

A MEETING of the creditors of Mr. Thomas Stirling Begbie, who succeeded to the estate of Mr. Thomas Stirling, was held on the 24th March, at the offices of Messrs. Quilter, Ball, and Co., under the presidency of Mr. Joseph Hoare, when a statement of his affairs was submitted, showing liabilities to the extent of about £350,000, by far the greater portion of which is secured or otherwise provided for. It is estimated that under the most unfavourable circumstances the unsecured creditors will receive a dividend of at least 10s. in the pound, and in certain contingencies the figures show a large surplus after payment of all creditors in full. It was unanimously resolved that the estate be wound up under the inspection of Mr. Joseph Hoare and Mr. Peter Denny.

NEW JOINT-STOCK BANK AT BIRMINGHAM.

and Co., of Birmingham, have resolved upon forming the joint-stock bank, limited. They will also absorb the other private bank of Messrs. S. L. Moilliet & Co. In consequence of this arrangement it is proposed to augment the nominal capital of the Company from £1,250,000 to £2,000,000, and to increase the shares from 25,000 to 40,000.

S. BARNED, MOZLEY & Co., OF LIVERPOOL.

the disappearance of Mr. Brandon Mozley, who has failed in his speculations on the Stock Exchanges of London and Liverpool, rumours were circulated with regard to this firm in the course of the last week. Assistance was speedily procured, and the house placed in a position of safety. Mr. B. Mozley was not a partner, and had no direct connection with the bank.

ALL FREEHOLD LAND AND DOCKS COMPANY.

The Foncier and Mobilier of England, and the Imperial Mercantile Association, Limited, have introduced the Millwall Freehold Land and Dock Company, with a capital of £510,000, in 25,500 shares of £20 each, with the usual debenture powers. The deposit on application is £4 on allotment, the calls not to exceed £2. 10s. per share, to be made at intervals of less than three months. The directors are all respectable, and include several first-class men of business. The company is incorporated for the purpose of supplying, under circumstances most advantageous to the shareholders, the great demand for land for manufactories, ship-building yards, and graving docks at the port of London, which the natural increase of trade, and the removal of existing water frontage by the formation of a new embankment and other metropolitan improvements, has rendered imperative. By a special Act of Parliament the company has obtained a large tract of land at Millwall, consisting of upwards of 198 acres of freehold land between the East and West India Docks. This land will be rendered available for the purposes above mentioned by the construction of a series of large docks or basins, with access for the largest vessels to the Millwall and Limehouse Reaches. The deep water frontage thus created will become immediately valuable in the highest degree for the construction of manufactories, ship-building yards, and similar purposes. The water being always kept at high level, the saving of time in all operations of lighterage, loading and unloading, which will be effected without respect to tides, will render this site far more valuable than any other on the Thames itself. The proposed works will include the construction of public graving-docks of the largest size, capable of receiving vessels of even greater size than her Majesty's ship the *Warrior*, and of accommodating her Majesty's ship the *Mermaid*, now building on the premises of the Millwall Dock. The main roads which traverse the site of the proposed works will be improved, but application is being made to Parliament for the present session by the Blackwall Railway Company for the extension of the Blackwall and North London Railway systems, by which communication will be afforded for the whole of the goods, wharves, and docks, with the entire railway system

THE REDUCTION IN THE BANK RATE OF DISCOUNT.
 The Bank of England rate of discount has been reduced to 3½ per cent.; the rate of discount by the Bank of France is 3½ per cent. It is quite evident that we are in a period of cheap money, but whether it will last is not to be seen.* There are symptoms, from the growing resources of the Banks of England and France, that the tremendous amount of engagements will leave us with a glut of money, while this is the case there will be no revival of the Bank of France was expected last week to go down to 3½ per cent., but it appears that the Council are waiting for the Bank of England directors to act before they move. The directors in Threadneedle Street are usually very vigilant, and there are no doubt, good grounds for maintaining the quotation at the present elevation. With this state of things in existence it is rather surprising that there is not more activity in the market. The explanation is to be found in the circumstance that the prices of produce, cotton, tea, sugar, and other staples, have fallen, and many of our mercantile firms that they have no money to meet them. The speculation also carried forward in the stock market and securities has more or less pinched the public, who have not suffered a direct sacrifice, have become locked up in the descriptions which they cannot realise, and are waiting for which will plague them sorely when they fall due. Through the depreciation in produce, there will be failures in London and Liverpool, and it is also impossible to say the cotton crisis is not far distant, through the nature of the crisis and the influence from America. We shall in all probability have as a consequence, a further season of depression; but, with a low rate of discount and a moderate demand for money, we shall be enabled to pass through our anticipated difficulties with more ease than we did in the autumn of last year. The terms for money accommodation will be a great improvement in every circle. A great number of people had fixed on the rate of the Bank for the present at 4 per cent., but they now think the terms will eventually go to 3½ per cent.

THE AMALGAMATION OF THE ALLIANCE AND ASSOCIATED BANKS.

The negotiations for amalgamating the Alliance and Associated Banks have been broken off. The reason is said to be the difficulties which have arisen irrespective of the business of the committee on both sides having, it is asserted, declared

* Whilst this sheet is passing through the press, the directors of the Bank of England have lowered the rate to 4 per cent.

led with their investigation as far as it had gone. It is proposed arrangement was not viewed as favourable to sections of the shareholders, and that if the directors had they would in all probability have been negatived at meetings when proposed for confirmation. It has all received that the large capital to be made profitable the way of bringing about a satisfactory agreement, at that body of the proprietors of the two institutions. The bank will, therefore, now continue in its own course; bank will have to do the same, and the directors will opportunity, if necessary, of introducing fresh blood into the order to promote its future prosperity.

BRITISH AND CALIFORNIAN BANK.

The British and Californian Banking Company, Limited, at the first annual meeting on the 3rd April, is as follows: The directors have the pleasure to submit to the shareholders the annual report of the bank to the 31st December, 1864, showing at profit and loss account the sum of £6,231. 17s. 3d., from which the current expenses, amounting to £2,362. 7s., leaves an amount of £3,869. 10s. 3d. In the report addressed to the shareholders on the 21st December last the directors gave an outline of their business to that date. They have now to state that the branch in London, commenced business in their own premises under the management of Henry S. Babcock, at the end of November, consequently the accounts only include the result of a few weeks' operation. The paid-up capital of the bank on the 31st December 1864, 100,000, since which time the first call of 50,000 has become well responded to. The advices from San Francisco, the development of local and general business, are satisfactory, and the relations concluded with banks and commercial firms of emigrant localities connected with the trade of California, of importance, and have already begun to bear profitable results. The directors now declare a dividend of 3s. per share, free of tax, equal to 6 per cent. per annum, payable to the proprietors on the 1st April, which will absorb £3,000, and leave £869. 10s. 3d. to be added to the credit of profit and loss new account."

THE COUNTRY BANKS ISSUE BILL.

The material clauses of Mr. Gladstone's Country Banks Bill as it has been amended in committee, the discussion of which took place in April. The modifications effected are of a substantial character, since they point to the extinction of all banks in England in 1875, and stipulate that on any bank being established its right of issue shall, as is the case under the present law, be absolutely forfeited. By this means the objection to the original form, that it would tend to perpetuate the number of privileged banks throughout the country, and thus facilitating the absorption of their issues by the Bank of England, is to be almost entirely removed:—

"There shall be repealed, so far as respects any bank of issue taking to pay such percentage on its issue of notes as is here mentioned, any provision of any Act whereby the number of in certain banks of issue is restricted to six, or whereby certain of issue are prohibited from having a house of business or establishment as bankers in London, or at any place not exceeding six miles from London, or whereby banks of issue are prohibited from issuing payable bank-notes in London, or at any place not exceeding a distance of sixty-five miles from London.

"Any bank of issue or any number of banks of issue may transfer to any other bank of issue the right of issue or rights of issue in it or them, or any part or parts thereof, on such last-mentioned bank undertaking to pay such percentage in respect of its own and of the issue or issues so transferred.

"Any bank issuing notes in respect of which such percentage payable may continue its issue until the 1st of January, 1875, shall no longer. In the event of Parliament putting an end to the issue authorised by this section at any time before the said 1st of January there shall be paid to any bank for the time being enjoying the right to such issue full compensation for any loss it may sustain by the determination of that right before such time as aforesaid.

"Every bank that has accepted the conditions of this Act in relation to the payment of a percentage on its issue of notes, shall pay to His Majesty's Exchequer a sum of £1. 5s. per cent. per annum on the average amount of notes circulated by that bank in every half-year.

"The percentage payable under this section shall be in lieu of licence duty and stamp duty or composition for stamp duty in respect of bank notes issued by a privileged bank, and no licence or stamp duty shall be required by any bank paying the same, and such bank shall be entitled to the same privileges in respect of the issue of bank notes as if it were duly licensed and had duly paid stamp duty and composition for stamp duty.

"If any privileged bank becomes bankrupt, its right of issue of notes shall absolutely determine.

"A privileged bank, notwithstanding it carries on business in London or within sixty-five miles thereof, may, on obtaining a licence as required by the 9th of George IV., cap. 23, as amended by the Bank Act, 1844, compound for the issue on unstamped of its promissory notes payable to order at any period not exceeding seven days after sight, and of such bills of exchange as are authorised by the said Act of the 9th of George IV. in that behalf mentioned, and they are drawn on and made payable at such bank, or a branch of it in London, Westminster, or the borough of Southwark, and such bank shall be entitled to all powers and privileges exercised or enjoyed by it previously to its becoming a privileged bank."

WESTERN BANK OF SCOTLAND.

the shareholders in the Western Bank of Scotland met on March, at St. Mary's Hall, Glasgow, when Mr. R. [unclear], appointed to wind up, voluntarily, the affairs of the bank, in which he stated that during the year ended 1890 deposits and letters of credit had been paid, and the bank's notes had been retired. Since the commencement of the year, the notes retired and burned by the committee amounted to £1,500,449. 5s., and the total amount of notes retired during that period was £6,098,601. The £50,000 set aside in former years to meet contingent liabilities, was retained, as the claims brought against the bank still formed a reserve. The money invested in Consols and lodged in the Bank of England amounted to £39,745; but of that amount there must be kept in reserve £27,119 for amount of unpaid returns on bank notes outstanding, and £28,127 for amount of [unclear]. To provide fully for these various liabilities required would be available for a return to the partners only 1s. per share. But the reporter was decidedly of opinion that the bank should be paid until the important litigations now pending are brought to a close, and the full extent of the liabilities ascertained. The assets of every kind, included in the report during the year, amounted to about £52,000; and the liabilities realised are valued at £102,721. The report was

ANGLO-EGYPTIAN BANK.

The Anglo-Egyptian Bank states that the provisional balance sheet received from Alexandria, shows an aggregate of transactions passing through the books of the bank without a loss; and the account of profit and loss, after making provision for expense accounts, shows that the directors are fully justified in declaring an interim dividend of 8s. per share (being 4s. 4d. per annum on the amounts paid-up), carrying the surplus to be brought into account when the first annual financial year's working are submitted to the shareholders in March or November next.

EAST OF ENGLAND BANK.

A dividend of 10s. in the pound, payable at Norwich, to the creditors of the East of England Bank, has been announced by Mr. James B. Henry Tillett, the liquidators. This bank stopped trading on July last, and a first dividend of 10s. in the pound

ALBION BANK.

At the first ordinary general meeting of the shareholders of the Bank, Limited, held on the 28th March, Mr. T. Cave in the report was presented and adopted. The accounts show a gross profit of £6,182, and, after deducting current expenses, interest on current accounts, and rebate on bills not due, left a net balance of £1,110. Of this a sum of £1,110 was appropriated to the payment of dividend for the half-year at the rate of 5 per cent. per annum, the balance being carried forward to the next account.

MERCANTILE SUSPENSIONS.

The following suspensions have been announced during the past February.—Messrs. Rizo, Son & Co., London, merchants.
 March.—Messrs. Attwoods, Spooner & Co., Birmingham, Mr. T. S. Begbie, London, shipowner and merchant.
 Messrs. I. W. Burstall & Co., Hull, merchants.
 Mr. David Leopold Lewis, London, contractor.
 Messrs. Andrew Fachiri & Son, London, merchants.
 Messrs. Smith, Douglas & Co., London, merchants.
 Messrs. James Smith & Co., Liverpool, merchants.

MONTHLY CHRONOLOGY.

February 25.—Failure of Messrs. Rizo, Son, & Co., London, merchants.

March 2.—The directors of the Bank of England reduced the discount from 5 to $4\frac{1}{2}$ per cent.

3.—Intelligence received of the capture of Charleston by the Federal Army.

9.—The directors of the Bank of France reduced their rate of discount from 4 to $3\frac{1}{2}$ per cent.

10.—Stoppage of the bank of Messrs. Attwoods, Spooner & Co., Birmingham, with liabilities stated to amount to £960,471 and £618,412.

16.—Suspension announced of Mr. T. S. Begbie, shipowner and merchant, of Mansion House Place, with liabilities amounting to £250,000. At a subsequent meeting of creditors it was agreed that the business should be wound-up under inspection. Failure of Messrs J. W. Burroughs & Co., merchants, of Hull, chiefly engaged in the East India trade, with liabilities estimated at between £250,000 and £300,000.

17.—Stoppage of Mr. David Leopold Lewis, of George Yard, Street, contractor.

22.—Suspension of Messrs. Fachiri & Son, of Cullum, with debts of about £100,000.

23. The directors of the Bank of Holland reduced their rate of discount from 4 to $3\frac{1}{2}$ per cent.

24.—Stoppage of Messrs. Smith, Douglas, & Co., of London, Smith & Co., of Liverpool, with debts amounting to about £400,000. Engaged in the East India trade.

30.—The directors of the Bank of England reduced the rate of discount to 4 per cent.

BANKING OBITUARY.

th February, at 373, City road, Mr. Joseph Thomas Frith, Bank of England, aged 63.

th February, at his residence, Lowville, Dublin, aged 72, Murray, for many years chief officer of the Provincial Bank of

h March, suddenly, at his residence, 3, Hoxton square, aged as Duthwit, late principal of the Bank-stock office, Bank of

BANK MOVEMENTS.

s Barney is retiring from the Boston Branch of the Stamford, Boston Bank, after sixteen years of very successful management, ed by Mr. R. H. Weldon, who has been for two years at the Branch of the same bank, and was formerly with Messrs. Praed

s M. Osborne, of the Corn Exchange, has joined the direction of tan and Provincial Bank.

s Hewat, secretary of the Provincial Bank of Ireland, London, nt upon the death of Mr. Robert Murray, been appointed chief perintendent of branches at Dublin, and Mr. Alexander Christie Hewat as secretary.

a McCullough, manager at the Newry Branch, Provincial Bank s been appointed manager of the Dublin Branch.

TRADE OF THE UNITED KINGDOM.

f Trade returns for the first month of the present year were 7th March; but they do not present any material change as h the month of January last year, though the results on the e regarded as favourable. The total declared value of ex-month last past was £10,489,339 against £10,413,586 in the 4, and £8,045,155 in 1863, which is an increase as contrasted ner period of only £75,753, but over the latter the increase is The chief alterations in exports have been an increase in the kali, arms and ammunition, beer and ale, cotton manufac- are and cutlery, linen manufactures, machinery, seed oil, wool, and woollen and worsted yarns. On the other hand, en a decrease in coals and culm, cotton yarn, haberdashery y, linen yarn, metals, silk manufactures, spirits, and woollen manufactures. With regard to imports, there has been an in raw cotton, raw silk, thrown silk, woollen manufactures, gar; but a falling off in flax and hemp, leather manufactures, t linseed, tallow, wool, coffee, spirits, and wine. As respects has been an increase in the importation of oats and Indian

corn; but a decrease in wheat, barley, peas, beans, and wheat-flour. In the case of provisions, there has been an increase in butter, and eggs; with a decline in bacon and hams, salt beef, and lard. The annexed table will exhibit the changes in the various enumerated:—

EXPORTS.

	1864.	
Coals and culm tons	568,851	
Cotton manufactures yards	114,565,058	123
Cotton yarn lbs.	4,748,054	4
Haberdashery and millinery value £	294,625	
Linen manufactures yards	14,559,426	18
Linen yarn lbs.	2,738,083	2
Iron, pig tons	20,099	
Ditto, railway "	26,836	
Copper, unwrought cwts.	9,173	
Ditto, sheets, nails, &c. "	33,323	
Oil, seed gallons	478,043	
Silk manufactures value £	116,441	
Ditto, thrown lbs.	34,292	
Spirits, British gallons	398,272	
Woollen cloths, &c. yards	1,999,746	1
Woollen and worsted yarn lbs.	1,936,176	1

IMPORTS.

	1864.	
Cocoa lbs.	130,715	
Coffee "	4,904,956	3
Wheat qrs.	2,272,179	
Wheat-meal and flour cwts.	521,074	
Cotton, raw "	81,639	
Flax "	182,027	
Hemp "	23,656	
Hides, tanned, &c. lbs.	67,636	
Leather manufactures pairs	720,732	
Butter cwts.	25,202	
Cheese "	10,307	
Flax-seed and linseed qrs.	40,726	
Silk, raw lbs.	550,478	
Silk, thrown "	4,085	
Silk manufactures "	107,251	
Spirits gallons	671,131	
Sugar, unrefined cwts.	271,552	
Tallow "	29,208	
Tea lbs.	3,327,773	2
Tobacco "	1,456,467	1
Wine gallons	1,042,426	
Wool lbs.	1,978,929	1
Woollen manufactures value £	55,110	

Monetary Intelligence.

MONETARY REVIEW FOR MARCH.

of financial and commercial affairs is not very satisfactory. There is an abundance of capital, with the expectation of especially after the payment of the dividends, no parent in trade, and we are looking for further failures. principally be in the India and China departments, and American firms will in all probability have to suspend. A general matter of complaint the last fortnight that discount have so gradually and permanently decreased. Before that time of Messrs. Attwoods, Spooner and Co. had caused a run for money, but it soon passed away. The state of the England account warrants a reduction from $4\frac{1}{2}$ to 4 per cent. Bank of France, though with a quotation now at $3\frac{1}{2}$ per cent., it is believed, shortly descend to 3 per cent.* It is believed that cheap money may last for a short period; but a war were settled, and a drain of gold was to set in to New York would be very soon apparent. The money markets on the continent are daily becoming more easy, and if the weather were to turn would speedily be a revival among the operators in stocks

for English securities has not exhibited much strength, and there is to be made to invest in other stocks and shares. The dividend on the new loans and new companies are so far in excess of 3 per cent. though there may be a little additional risk, the public take little notice of the change in the situation. The government broker in London this month has been purchasing Reduced and New 3 per Cents., and it is expected his transactions for the present quarter will be large. Bills and India Bonds have not varied to any extent; and interest rates still are comparatively low.

Stocks have not moved in any great degree. Speculation continues to take place in Spanish Passive and Spanish Certificates; and, in other things, the late advance has been fairly supported. Turkish shares are described as good; a fresh financial operation is contemplated, and this special class will be absorbed. The adjustment of the market strength to prices. Mexican is heavy, but it will recover, and the cotton business will increase in this description before the close of the year.

Shares have been very good. The tendency is in the right direction, and there is a greater disposition among the public to purchase. It is expected that increased activity will prevail in the course of the year. In this department, the bankers and jobbers having recovered themselves. Foreign and Indian shares are also rather

shares and Credit and Finance shares, after being steady, have advanced. The late extensive depression has brought in buyers, who are leading descriptions and hold them for higher prices, which may be obtained during the summer. We expect to see much more activity for the principal classes before June next.

Directors of the Bank of England have at the last moment lowered the discount rate.

V.

The produce markets manifest great depression. The till the spring is much further advanced of recovery, and considerable to place affairs in a satisfactory situation. Tea is extensive; tea, on the average, exhibits large losses, and adverse margin is considerable.

THE GRAIN TRADE.

THE markets for all descriptions of grain continue comparatively dull, farmers busy with field operations. Most of the samples brought to market in good condition, and the importations, particularly of wheat, have been at usual average. Within the last week or two wheat has been in some request, at full prices. Oats in steady demand, and prices show an advancing tendency. Good quality rather dearer. Beans and peas without material alteration. Official quotations were:—Wheat, 38s. 3d. per qr.; barley, 36s. 6d. per qr.; and oats, 21s. 4d. per qr.

The Gazette returns for England and Wales have been as follows:

Week ending, 1865.	Wheat. Qrs. sold.	Weekly Average. s. d.	Duty. s. d.
Feb. 25	79,804 ...	38 2 ...	1 0
March 4	87,168 ...	38 6 ...	1 0
" 11	69,297 ...	38 4 ...	1 0
" 18	70,688 ...	38 3 ...	1 0

The importations since the harvest of 1864 have been:—

	Wheat. Cwts.	Other Grains. Cwts.
Thirty-one weeks ended 18th Feb.	10,557,621	14,530,000
Four weeks ended 18th March ...	663,145	1,456,000
	11,220,766	15,986,000

And the weekly averages have been:—

Thirty-one weeks ended 18th Feb.	...	340,000	469,000
Four weeks ended 18th March ...	...	159,000	401,000
	Less	181,000	68,000

STATE OF TRADE.

BUSINESS has received a check in the provinces through the failure at Birmingham. The weather has also proved unfavorable, but however the Spring season were to prove fine, there would be a recovery.

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February and formerly in May and November. This has been rendered necessary by the Meetings of the Banks and Discount Companies, which will be always in the pages of the *Banker's Magazine*. We shall also give the proceedings of the Credit and Finance Companies as they are more or less associated with our subscribers and readers can refer to them without difficulty. We will please forward communications addressed to the Editor, No. 8, Finsbury Square, London, and orders as usual to Messrs. Groombridge and Sons, Messrs. Waterlow and Sons, Carpenters' Hall, London Wall.

BANKING AND FINANCIAL ANECDOTES.—It will be perceived from notices in the *Banker's Magazine* is collecting and arranging a series of financial Anecdotes. Any contributions from subscribers and readers of the *Banker's Magazine* will be thankfully received, particularly if the subject-matter shall not have been previously printed. Nothing personal or offensive will receive publicity.

BANK OF FRANCE.

DEBTOR.

March 2.	March 9.		March 16.		March 23.	
	F.	C.	F.	C.	F.	C.
0,000 0	182,500,000	0	182,500,000	0	182,500,000	0
9,191 80	7,025,949	37	7,035,535	22	7,038,528	72
5,750 14	22,105,750	14	22,105,750	14	22,105,750	14
0,000 0	4,000,000	0	4,000,000	0	4,000,000	0
7,175 0	773,343,825	0	777,523,125	0	774,556,625	0
2,556 55	5,752,618	65	5,041,185	95	6,656,367	66
0,379 18	87,134,568	33	83,837,972	64	105,296,575	52
4,590 62	139,925,576	96	129,617,424	35	122,907,284	83
1,708 0	27,060,395	0	23,819,673	0	25,991,889	0
1,401 75	1,738,455	75	1,589,367	75	1,497,162	75
7,779 80	6,716,824	76	7,176,078	82	7,508,689	0
9,444 5	2,789,444	5	2,789,444	5	2,789,444	5
9,169 62	9,017,153	91	11,042,580	55	8,409,502	14
0,146 52	1,269,110,561	92	1,258,108,447	47	1,271,348,099	67

CREDITOR.

March 2.	March 9.		March 16.		March 23.	
	F.	C.	F.	C.	F.	C.
5,854 17	410,774,096	15	424,981,230	8	445,364,708	40
8,471 33	596,436	27	7,774,886	92	569,735	7
2,232 74	269,407,467	28	240,228,184	27	239,803,085	40
0,342 0	274,960,453	0	273,947,474	0	269,669,271	0
2,831 55	15,648,131	55	15,717,831	55	16,854,131	55
0,300 0	8,110,400	0	2,871,400	0	2,896,339	0
9,500 0	13,639,100	0	13,933,900	0	14,006,000	0
1,100 0	8,104,900	0	8,296,800	0	8,473,000	0
4,400 0	28,018,900	0	28,195,400	0	28,632,300	0
31,300 0	16,846,900	0	16,108,500	0	16,529,900	0
25,700 0	401,300	0	487,100	0	494,400	0
9,250 0	283,550	0	286,850	0	323,550	0
00,000 0	60,000,000	0	60,000,000	0	60,000,000	0
80,750 14	12,980,750	14	12,080,750	14	12,980,750	14
56,737 91	36,656,737	91	36,656,737	91	36,656,737	91
00,000 0	100,000,000	0	100,000,000	0	100,000,000	0
17,776 0	8,420,483	0	8,420,483	0	8,420,483	0
17,705 31	646,054	64	653,547	29	829,258	19
58,895 37	8,525,311	98	6,567,363	31	8,933,550	1
0,146 52	1,269,110,561	92	1,258,108,447	7	1,271,348,099	67

FLUCTUATIONS IN ENGLISH AND FOREIGN STOCK RAILWAY SHARES.

	Price on Feb. 25th.	Highest.	Lowest.
ENGLISH FUNDS.			
Consols	88½ to 89½	89½	88½
Exchequer Bills	3 to 5pm	7 pm	3 pm
FOREIGN STOCKS.			
Brazilian	—	100	99
Buenos Ayres	—	92	90½
Chilian	—	103½	103
Dutch 2½ per cents.	63½	63½	62½
Mexican	26½	27	25½
Peruvian 4½ per cents.	84½	84½	80
Russian	—	92½	89½
Spanish	48½	48½	47½
Turkish 6 per cents.	92½	94½	91½
Ditto 4 per cents.	—	99½	98½
RAILWAY SHARES.			
Brighton	103½	105½	102½
Caledonian	131½	132½	130½
Great Eastern	46½	47½	44½
Great Northern	131½	132½	128
Great Western	73½	75½	72½
Lancashire and Yorkshire	116½	117½	114
London and North Western... ..	120½	121	115½
Midland	136½	139	131
North Staffordshire	80½	80½	76
South Eastern	86½	87½	83½
South Western	99½	99½	95
York, Newcastle, and Berwick	111½	111½	105½
York and North Midland	102½	102½	98½
East Indian	100½	102½	99½
Northern of France	40	40½	40

CREDIT, FINANCE AND DISCOUNT COMPANIES.

	Share.	Paid.	London Interest Prices.	
Australian Mortgage, Land and Finance (Lim.)	25	3	3½	Imperial Mercantile Credit (Lim.)
Consolidated Discount (Lim.)	50	10	5½	International Land Credit
Contract Corporation (Lim.)	100	5	2½	Joint Stock Discount (Lim.)
Credit Foncier of Mauritius (Limited)	50	10	6	Land Credit of Ireland
Credit Foncier and Mobilier of England	20	5	10	Land Securities
Ditto	20	3½	8	London Financial Associa- tion (Lim.)
Discount Corporation (Lim.)	100	20	14½	London Mercantile Discount Mauritius Land, Credit and Agency (Lim.)
East India Financial	50	7½	4	National Discount Co. (Lim.)
Egyptian Commercial and Trading	20	4	4½	National Financial (Lim.)
English and Foreign Credit Financial Corporation	100	2	4½	Oriental Financial
Financial Discount (Lim.)	50	10	4½	Ottoman Financial Associa- tion (Lim.)
General Credit and Finance of London (Lim.)	25	4	6½	Société Financière d'Egypte (Lim.)
International Financial Society (Lim.)	20	5	6½	South African Mortgage and Investment (Lim.)
International Contract	50	10	7	Warrant Finance (Lim.)

JOINT-STOCK BANKS.

Share.	Paid.	London latest Prices		Share.	Paid	London latest Prices
£	£	£		£	£	£
100	50	123xd	London Bank of Mexico and South America (Limited) ...	50	10	8½xd
50	25	6½xd	London Bank of Scotland (Lim.) ...	100	13	7½
50	10	7½	London and Brazilian Bank ...	100	40	43
100	25	34½	London, Birmingham & St. Staffordshire (Limited) ...	100	22	13
100	15	2½	London, Buenos Ayres and River Plate, Limited ...	100	40	48
20	6	7½	Ditto, New, issued at 1½ pm. ...	25	10	12
50	12½	13½	London Chartered of Australia ...	20	20	24
50	10	7½	London and County Bank ...	50	20	73½
20	2½	11½	London, Hamburg, Cont. Exchange (Lim.) ...	100	18	2½
40	40	74	London Joint Stock Bank ...	50	15	46½
40	40	71	London & South African Bk. ...	20	20	21½
25	25	31	London and South Western (Limited) ...	100	20	20½
100	50	150	Ditto, ditto, New ...	100	12½	...
20	7	5½	London and Venezuela (Lim.) ...	50	19	3½
100	25	22	London & Westminster Bank ...	100	20	54½
50	7½	9½	Merchant Bank (Limited) ...	100	25	29½xd
100	20	15	Mercantile Exchange (Lim.) ...	50	10	7½
10	10	17	Metropolitan and Provincial Bank, Limited ...	100	20	18½
50	25	41	Ditto, New ...	100	10	84
20	10	10½	Midland Bank (Limited) ...	100	20	17½
50	50	44½	National Bank ...	50	30	95
20	15	19	Ditto, New ...	50	20	84
20	20	32	National of Liverpool (Lim.) ...	100	10	17
25	25	53	National Provincial Bank of England ...	100	43	157
100	50	118	Ditto, New ...	20	13	...
100	25	42	Ditto, ditto ...	20	12	46
20	20	...	New South Wales ...	20	20	43
25	25	38	New Zealand Bank Corporation (Limited) ...	10	1	1½
25	25	30	Ditto, New ...	10	1	...
25	25	...	North Western ...	20	5	9
10	4	10½	Oriental Bank ...	25	25	56½
100	25	19	Do. New, issued at 20 pm. ...	25	25	...
100	15	11½	Provincial Banking Corporation ...	50	5	3
50	5	6	Provincial Bank of Ireland ...	100	25	87
20	5	4	Ditto, New ...	10	10	...
20	20	20	Scinde, Punjab and Delhi (Limited) ...	20	10	11½
50	15	12xd	Ditto, issued at 2 pm. ...	20	2	...
50	15	13½xd	South Australian ...	25	25	35
100	25	26	South Eastern (Lim.) ...	25	10	10
100	23	23	Standard of British Africa (Limited) ...	100	25	23
100	10	8	Ditto ditto ...	100	25	23½
100	20	31½	Do. New, issued at 8 pm. ...	100	10	84
20	10	17½	Union Bank of Australia ...	25	25	53½
25	25	28½	Union Bank of Ireland, Lim. ...	100	22	19½
25	5	5½	Union Bank of London ...	50	15	52
20	4	4½				

Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks and

ISSUE DEPARTMENT.

	1865. March 1.	1865. March 8.	1865. March 15.
	£	£	£
Notes issued	28,661,300	28,560,590	28,740,275
Government debentures	11,015,100	11,015,100	11,015,100
Other securities	3,634,900	3,634,900	3,634,900
Gold coin and bullion	14,011,800	13,910,590	14,090,275
Silver bullion			
	28,661,300	28,560,590	28,740,275

BANKING DEPARTMENT.

	1865. March 1.	1865. March 8.	1865. March 15.
	£	£	£
Proprietors' capital	14,553,000	14,553,000	14,553,000
Reserve	3,831,056	3,843,819	3,857,083
Public deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	6,854,409	7,677,728	8,348,481
Other Deposits	14,158,331	13,904,702	13,785,825
Seven day and other bills	447,795	450,525	449,973
	39,845,191	40,429,773	40,994,362
Government Securities (including Dead Weight Annuities)	11,023,211	11,023,211	11,023,211
Other Securities	19,303,898	19,828,885	20,804,483
Notes	8,729,015	8,729,690	9,094,655
Gold and Silver coin	790,067	848,017	791,983
	39,845,191	40,429,773	40,994,362

THE EXCHANGES.

	March 3.	March 10.	March 17.
Amsterdam, short	11 16	11 16½	11 17
Ditto 3 months	11 18½	11 19	11 19½
Rotterdam, ditto	11 19	11 19	11 19½
Antwerp, ditto	25 47½	25 45	25 55
Brussels, ditto	25 47½	25 45	25 55
Hamburg, ditto	13 8½	13 8½	13 9
Paris, short	25 20	25 22½	25 27½
Paris, 3 months	25 45	25 45	25 50
Marseilles, ditto	25 45	25 45	25 50
Frankfort, ditto	120½	120½	120½
Vienna, ditto	11 60	11 55	11 52½
Trieste, ditto	11 60	11 55	11 52½
Petersburgh, ditto	30½	31	31½
Madrid, ditto	47½	47½	47½
Cadiz, ditto	47½	47½	47½
Leghorn, ditto	25 57½	25 57½	25 62½
Milan	25 60	25 57½	25 62½
Genoa, ditto	25 60	25 55	25 57½
Naples, ditto	25 60	25 57½	25 62½
Palermo, ditto	25 60	25 57½	25 60
Messina, ditto	25 62½	25 57½	25 60
Lisbon	51½	51½	51½
Oporto	51½	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard)	3 17 9	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0	0 5 0
Silver in Bars (Standard)	0 0 0	0 0 0	0 0 0

Weekly Circulation Returns.

Vol. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

	Authorized Issue.	AVERAGE AMOUNT.			
		Feb. 11.	Feb. 18.	Feb. 25.	March 4.
.....	£	£	£	£	£
.....	11,849	11,450	11,994	11,225	11,157
.....	48,461	23,288	22,791	22,359	22,897
.....	37,223	19,626	19,661	18,367	18,566
.....	17,182	3,118	3,335	3,316	3,470
.....	34,218	28,324	27,510	27,505	27,487
.....	27,090	14,121	13,461	13,310	13,716
.....	23,695	18,975	18,930	17,606	18,593
.....	75,069	62,898	61,036	59,584	59,978
.....	15,161	14,247	13,975	14,067	13,990
.....	10,028	6,040	5,846	6,086	6,503
.....	48,277	21,582	21,180	21,293	21,191
.....	26,717	14,865	14,034	13,619	13,686
.....	29,557	19,027	18,453	18,574	18,034
.....	82,362	52,688	50,589	50,582	50,314
.....	43,457	24,513	24,100	23,971	24,177
.....	55,153	19,612	19,573	20,573	21,062
.....	36,829	35,973	34,006	35,819	35,360
.....	38,816	27,178	26,775	25,265	25,335
.....	68,271	40,958	41,615	39,170	39,149
.....	33,794	23,304	22,660	22,122	22,494
.....	12,745	10,282	10,121	10,844	11,540
.....	3,201	2,573	2,696	2,543	2,750
.....	25,744	13,685	13,637	12,780	12,921
.....	49,916	39,837	38,430	37,876	38,414
.....	33,671	27,920	26,310	25,669	26,184
.....	23,597	13,439	13,141	12,668	12,718
.....	3,436	3,347	3,307	3,233	3,152
.....	25,082	16,593	17,947	17,331	17,081
.....	48,704	30,806	30,426	29,526	29,365
.....	49,869	28,656	26,170	25,943	26,375
.....	12,045	4,993	4,538	4,807	4,599
.....	21,527	15,991	15,076	14,630	14,258
.....	77,154	67,263	67,617	67,559	70,027
.....	9,387	7,484	7,212	7,143	7,500
.....	13,332	10,185	9,701	9,346	9,036
.....	41,304	28,504	27,760	28,033	29,565
.....	27,237	24,660	24,900	26,011	28,849
.....	20,674	6,428	5,944	5,664	5,745
.....	10,657	10,097	9,922	10,570	10,182
.....	77,400	64,238	64,070	63,312	62,737
.....	86,218	81,719	85,520	84,118	84,508
.....	10,664	7,043	6,285	6,339	6,452
.....	48,807	36,089	38,157	37,670	36,573
.....	112,280	82,676	80,821	79,312	78,968
.....	53,392	50,907	49,807	49,537	49,737
.....	69,637	37,710	36,527	36,131	36,601
.....	37,894	21,543	20,510	20,295	20,095
.....	14,202	6,463	6,158	6,057	5,918
.....	6,681	5,028	5,045	4,984	5,250
.....	6,322	5,310	6,183	5,634	5,484
.....	14,524	10,289	9,654	9,985	10,197
.....	30,372	23,195	22,073	22,005	22,407
.....	19,979	19,039	18,189	18,759	19,011
.....	56,591	34,431	33,201	33,517	34,009
.....	5,778	5,226	5,001	4,937	5,215
.....	38,764	34,215	33,662	33,124	32,428
.....	21,901	20,484	19,679	20,513	19,620

NAME OF BANK.	Author- ized Issue.	AVERAGE	
		Feb. 11.	Feb. 18.
	£	£	£
58 Ipswich & Needham Market Bank	80,699	54,553	54,100
59 Kentish Bank—Mercer & Co. ...	19,895	15,990	15,417
60 Kington and Radnorshire Bank...	26,050	17,194	17,351
61 Knaresborough Old Bank	21,825	19,405	19,305
62 Kendal Bank	44,663	42,483	43,274
63 Longton Staffordshire Bank	5,624	4,893	5,266
64 Leeds Bank	53,357	49,612	51,281
65 Leeds Union Bank	37,459	35,834	34,877
66 Leicester Bank.....	32,322	24,113	23,000
67 Lewes Old Bank	44,836	29,050	28,677
68 Lincoln Bank	100,342	85,237	84,621
69 Llandoverly Bank & Llandilo Bank	32,945	8,928	8,821
70 Loughborough Bank	7,359	7,025	7,211
71 Lymington Bank	5,038	3,855	3,633
72 Lynn Regis and Lincolnshire Bank	42,817	30,810	30,251
73 Lynn Regis and Norfolk Bank ...	13,917	11,389	11,649
74 Macclesfield Bank	15,760	12,505	11,800
75 Manningtree Bank	7,692	5,957	5,766
76 Merionethshire Bank	10,906	4,739	4,599
77 Miners' Bank	18,688	18,638	18,321
78 Monmouthshire Agricultural and Commercial Bank	29,335	28,912	26,800
79 Monmouth Old Bank	16,386	3,679	3,599
80 Newark Bank	28,788	20,905	21,141
81 Newark and Sleaford Bank	51,615	42,036	39,766
82 Newbury Bank.....	36,787	14,245	14,171
83 Newmarket Bank.....	23,098	17,140	16,681
84 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	48,385	46,600
85 Norwich and Norfolk Bank	105,519	79,480	78,441
86 Nottingham & Nottinghamsh. Bk.	10,866	8,491	7,900
87 Naval Bank, Plymouth	27,321	22,518	22,111
88 New Sarum Bk.—Pinckneys, Bros.	15,659	7,742	7,511
89 Nottingham Bank	31,047	24,429	23,011
90 Oswestry Bank	18,471	9,295	9,211
91 Oxford Old Bank.....	34,391	34,276	32,811
92 Old Bank, Tonbridge	13,183	10,276	9,771
93 Oxfordshire Witney Bank	11,852	9,090	9,001
94 Pease's Old Bank, Hull	48,807	44,061	43,511
95 Penzance Bank	11,405	8,616	8,211
96 Pembrokehire Bank	12,910	8,826	8,011
97 Reading Bank—Simonds & Co....	37,519	27,066	26,611
98 Reading Bk.—Stephens, Blandy & Co.	43,271	28,124	27,811
99 Richmond Bank, Yorkshire	6,889	5,624	5,411
100 Rochdale Bank	5,590	1,657	1,611
101 Royston Bank	16,393	10,165	10,011
102 Rugby Bank.....	17,250	10,467	10,411
103 Rye Bank	29,864	11,153	10,911
104 Saffron Walden & North Essex Bk.	47,646	23,640	22,811
105 Salop Bank	22,338	9,941	9,211
106 Scarborough Old Bank	24,813	23,426	23,011
107 Shrewsbury Old Bank.....	43,191	31,952	30,411
108 Sittingbourne and Milton Bank...	4,789	3,330	3,211
109 Southampton Town & County Bk.	18,589	10,502	9,611
110 Southwell Bank	14,744	8,565	8,411
111 Southampton and Hampshire Bk.	6,770	2,189	2,011
112 Stafford Old Bank	14,166	12,351	12,411
113 Stamford and Rutland Bank	31,858	17,675	17,111
114 Shrewsbury and Welsh Pool Bank	25,336	19,862	19,111
115 Taunton Bank	29,799	20,285	20,511
116 Tavistock Bank	13,421	9,150	8,611

OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Feb. 11.	Feb. 18.	Feb. 25.	March 4.
	£	£	£	£	£
Bank	10,026	6,920	6,887	7,079	7,213
Devonshire Bank ...	13,470	10,400	9,707	9,610	8,952
and Kettering Bank..	11,559	11,783	11,160	11,340	11,834
and Chesham Bank...	13,531	13,032	12,973	12,928	13,175
ld Bank	10,801	6,469	6,107	5,625	5,601
Cornwall	17,003	16,103	15,512	15,016	15,418
d Bank	25,136	9,338	9,105	8,498	8,335
Bank	17,064	6,490	6,246	6,092	6,130
Warwickshire Bank	30,504	18,122	18,030	18,050	18,277
Bank, Somerset	6,528	2,191	1,893	2,010	1,937
Bank	46,158	44,016	42,244	41,794	42,175
Bank	14,258	14,265	13,936	13,939	14,245
Alresford & Alton Bk.	25,892	10,830	10,285	10,332	9,715
ld Bank	16,461	16,087	16,074	15,263	16,045
and Derbyshire Bk.	37,602	34,538	34,191	33,214	32,581
d Lincolnshire Bank	59,713	36,795	35,400	35,964	35,315
e Bank	7,602	3,250	3,272	3,227	3,903
ld Bank	87,448	51,016	49,236	48,373	48,306
Bk.—R. & W. Fryer	11,867	9,609	9,093	8,606	8,217
d Suffolk Bank	53,060	41,120	40,670	38,824	38,081
orfolk, & Suffolk Bk.	13,229	10,186	9,165	8,725	9,355
.....	46,387	39,817	38,856	38,456	38,532

JOINT STOCK BANKS.

morland	12,225	10,991	11,815	12,000	11,403
ing Company	9,563	9,352	9,562	9,724	9,255
ing Company	49,292	49,588	50,186	48,553	48,171
nt Banking Company	9,418	8,195	8,625	8,726	8,969
ehaven	32,681	30,278	29,682	30,790	30,180
mercial Banking Co.	20,084	20,001	20,310	20,002	19,765
ster, and Staffordshire					
ing Co.	60,701	44,830	44,175	43,388	43,449
N. Derbysh. Bk. Co.	10,421	9,730	8,877	8,483	9,330
Union Banking Co...	35,395	23,850	24,213	25,123	25,700
Warwickshire Bk. Co.	28,734	14,491	14,161	14,857	15,284
on Banking Company	16,251	12,723	12,832	12,591	12,648
oucester Banking Co.	144,352	100,350	98,530	99,288	98,245
berland Banking Co.	25,610	24,135	24,144	24,210	23,402
nd District Bank ...	19,972	19,784	20,001	19,198	19,683
st Bromwich Bk. Co.	37,696	29,648	30,084	29,598	29,953
rbysire Banking Co.	20,093	19,121	18,328	18,450	18,800
st Joint Stock Bk. Co.	26,134	22,284	25,597	23,513	22,823
e Banking Company	155,920	137,029	136,685	135,490	136,185
Stock Bank	18,534	16,199	16,472	16,310	16,136
Banking Company...	37,354	33,187	34,451	33,900	33,060
Company	29,333	28,305	28,329	28,036	29,552
ercial Banking Co...	13,733	11,612	11,738	12,152	11,766
ddersfield Union Bk.	44,137	36,752	36,518	36,409	36,002
ng Company	1,503	1,471	1,483	1,510	1,491
h and Claro Bk. Co.	28,059	24,635	24,828	24,725	25,010
ing Company	64,311	57,457	62,598	63,239	63,784
Banking Company...	86,060	59,840	57,075	57,242	55,646
indsey Banking Co.	51,620	49,418	47,246	46,655	46,672
riors and Warwick-					
ing Co.	13,875	11,559	11,857	11,162	10,733
enbury Bank	10,215	9,003	8,752	8,465	8,789
nson's Notts. Bank...	35,813	27,155	24,609	24,649	27,099
nd Notts. Banking Co.	29,477	24,539	23,922	23,730	25,121
ncial Bk. of England	442,371	395,145	392,900	391,414	397,411
Banking Company ...	63,939	39,468	43,434	38,386	38,520

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.		
		Feb. 11.	Feb. 18.	Feb. 25.
	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	63,387	62,690	61,609
36 Northamptonshire Banking Co. ...	26,401	19,468	19,741	19,758
37 North and South Wales Bank.....	63,951	51,235	49,063	49,145
38 Parc's Leicestershire Banking Co...	59,300	55,105	52,752	51,140
39 Saddleworth Banking Company ...	8,122	335	335	335
40 Sheffield Banking Company.....	35,843	34,495	35,905	35,636
41 Stamford, Spalding & Boston Bk. Co.	55,721	46,357	45,530	45,010
42 Stuckey's Banking Company	356,976	298,318	291,875	292,668
43 Shropshire Banking Company.....	47,951	37,940	34,939	34,308
44 Stourbridge and Kidderminster Bk.	56,830	52,498	53,081	50,835
45 Sheffield and Hallamshire Bank ...	23,524	21,587	22,185	22,846
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	52,787	52,130	51,042
47 Swaledale and Wensleydale Bank..	54,372	44,890	43,571	42,134
48 Wolverhampton & Staffordsh. Bk..	35,378	26,448	27,009	28,044
49 Wakefield and Barnsley Union Bk.	14,604	14,004	14,053	13,790
50 Whitehaven Joint Stock Bank ...	31,916	22,710	22,902	22,600
51 Warwick and Leamington Bk. Co.	37,124	27,652	26,732	24,959
52 West of Eng. & S. Wales District Bk.	83,535	81,609	80,906	81,736
53 Wilts & Dorset Banking Company	76,162	73,240	74,400	74,600
54 West Riding Union Banking Co....	34,029	30,746	33,935	34,550
55 Whitechurch and Ellesmere Bk. Co.	7,475	4,473	4,506	4,686
56 Worcester City and County Bk. Co.	6,848	3,955	4,190	3,698
57 York Union Banking Company ...	71,240	70,094	69,078	69,933
58 York City and County Banking Co.	94,695	87,706	86,677	86,106
59 Yorkshire Banking Company	122,532	121,063	121,783	122,724

Irish and Scotch Circulation Returns.

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during weeks ending Saturday, the 4th day of March, 1865.

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during Four Weeks ending as above.		
		£5 and upwards.	Under £5.	Total.
	£	£	£	£
Bank of Ireland	3,738,428	1,401,000	1,054,500	2,455,500
Provincial Bank of Ireland	927,667	386,852	480,191	867,043
Belfast Bank	281,611	112,811	307,654	420,465
Northern Bank	243,440	95,961	265,730	361,691
Ulster Bank.....	311,079	154,478	320,737	475,215
The National Bank.....	852,269	565,525	557,120	1,122,645
TOTALS (Irish Banks) ...	6,354,494	2,716,627	2,985,962	5,702,589

SCOTCH BANKS.

NAME OF BANK.	Authorized Circulation.	£5 and upwards.	Under £5.	Total.
	£	£	£	£
Bank of Scotland	300,485	160,864	294,153	455,017
Royal Bank of Scotland ...	216,451	179,840	312,538	492,378
British Linen Company	438,024	160,885	292,097	452,982
Commercial Bk. of Scotland	374,880	182,940	333,217	516,157
National Bank of Scotland..	297,024	161,740	282,650	444,390
Union Bank of Scotland ...	454,346	204,931	366,741	571,672
Aberdeen Town and Co. Bk.	70,133	52,131	71,559	123,690
North of Scotland Bk. Co...	154,319	93,395	99,220	192,615
Clydesdale Banking Co. ...	274,321	123,020	220,518	343,538
City of Glasgow Bank	72,921	130,398	224,689	355,088
Caledonian Banking Co. ...	53,434	21,306	44,526	65,832
Central Bank of Scotland...	42,933	23,215	32,580	55,795
TOTALS (Scotch Banks)...	2,749,271	1,494,665	2,574,488	4,069,154

OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Feb. 11.	Feb. 18.	Feb. 25.	March 4.
.....	£4,212,786	£3,014,348	£2,955,406	£2,918,867	£2,929,298
Banks ...	3,226,357	2,754,167	2,742,985	2,725,860	2,731,410
Is.....	7,439,143	5,768,515	5,698,394	5,644,727	5,660,708

Calculation of these Banks for
Feb. 4th:—

.....	£2,954,490
.....	2,738,006

Calculation of Private

Banks ending as	£5,693,098
-----------------	------------

the above with the Returns
Feb. 4th last, it shows:—

Notes of Private	£119,679
------------------	----------

of Joint-Stock	49,493
----------------	--------

month...	£160,182
----------	----------

And as compared with the month ending

March 5th, 1864, it shows:—

A decrease in the notes of Private

Banks, of £151,133

A decrease in the notes of Joint-Stock

Banks, of 124,156

Total decrease, as compared with the

same period of last year £275,289

The following is the comparative state of the

circulation as regards the fixed issues:—

The Private Banks are below their

fixed issues £1,259,306

The Joint-Stock Banks are below their

fixed issues 487,751

Total below their fixed issues ... £1,746,057

OF IRISH & SCOTCH RETURNS TO MARCH 4, 1865.

Calculation of the Irish and
Four weeks ending March

ther, give the following as
circulation of these Banks

, viz.:—

the Irish Banks £3,702,589

the Scotch Banks 4,069,154

Calculation of these banks

..... £9,771,743

Amounts with the Returns

with Feb. last, they show—

Calculation of Irish Banks £11,119

Calculation of Scotch Banks 89,422

month £99,541

with the month ending

show—

Calculation of Irish Banks £140,030

Calculation of Scotch Banks 72,411

year £212,441

The fixed issues of the Irish and Scotch Banks
at the present time are given in the *Banking*
Almanac, as follows:—

6 Banks in Ireland, allowed to issue... £6,354,494

12 Banks in Scotland, allowed to issue 2,749,271

18 Banks in all, allowed to issue £9,103,765

The following appears, therefore, to be the

comparative state of the circulation:—

Irish Banks are below their fixed issue £651,905

Scotch Banks are above their fixed issue 1,319,883

Total above the fixed issue £667,978

The amounts of Gold and Silver held at the

head offices of the several banks, during the past

month, have been as follows:—

Gold and Silver held by the Irish Banks £2,098,035

Gold and Silver held by the Scotch Banks 2,422,738

Total of Gold and Silver Coin..... £4,520,773

Being a decrease of £33,555 on the part of the

Irish Banks, and an increase of £37,619 on the

part of the Scotch Banks, on the several amounts

held by them during the preceding month.

OF THE UNITED KINGDOM TO MARCH 4, 1865.

The state of the Note Circulation of the United Kingdom for the month ending

for the Month ending 4th March, as compared with the previous month:—

	Feb. 4.	March. 4.	Increase.	Decrease.
Month ending Mar. 1)	£20,467,782	£19,951,941	—	515,841
.....	3,074,159	2,954,180	—	119,979
.....	2,788,089	2,738,606	—	49,483
.....	26,330,010	25,645,027	—	684,983
.....	4,157,576	4,069,154	—	88,422
.....	5,713,708	5,702,589	—	11,119
.....	£36,201,294	£35,416,770	—	£784,524

of the month ending March 5th, 1864, with the month ending March 4th, 1865,

the Bank of England circulation of £105,113, a decrease in Private Banks of

£124,156; being a total decrease in England of £380,402; there is an increase of £72,411; and in Ireland an increase of £140,030. Thus

with ending 5th March, as compared with the same period last year, presents a

decrease in England, and a decrease of £167,961 in the United Kingdom.

The circulation in the Bank of England, for the month ending March 1st, gives an

increase of £14,616,770. On a comparison of this with the Return for

Feb. 1st, there appears to be an increase of £355,756; and an increase of £359,395

on the same period last year.

The amounts of Gold and Silver held during the month ending 4th

March 1st, give an increase of £4,064 as compared with the Return of the previous

month of £223,594 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 25th February to 28th March, 1865, inclusive.

	26	27	28	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Bank Stock, 5½ per cent, last half-year	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246	246
8 per Cent. Reduced Annuities	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
8 per Cent. Consols Annuities	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
Ditto ditto for account Mar. 9	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
Ditto ditto April 6	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
New 3 per Cent.	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
New 2½ per Cent.	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½
New 2 per Cent.	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½	71½
New 5 per Cent.	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144	144
Annunities for 30 years	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215	215
Ditto 30 years	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½
Ditto (Red Sea Telegraph) Aug. 1865	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½	103½
India Stock, 10½ per cent, April, 1874	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½	99½
Ditto 5 " " July, 1870	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½
Ditto 4 " " Oct., 1866	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½
Ditto Enforced Paper, 4 per cent.	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½
Ditto ditto 5½ " "	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½
Ditto Loan Debentures, 1864	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½
Ditto ditto	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½	101½
Ditto Bonds £1,000 (div. 5 per cent.)	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½	149½
Ditto under £1,000	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½	111½
Exchequer Bills £1,000, 4 per cent.	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
Ditto ditto £500	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
Ditto ditto £100 & 200 "	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½

FOREIGN STOCKS.—(March 27th, 1865.)

	COMPANY.	PAID UP	PRICES	COMPANY.	PAID UP	PRICES
Brazilian Bonds, 5 per Cent.	100	Spanish Bonds 3 per Cent.	48	Bristol and Exeter	100	Feb. 27.
Brazilian 4½ per Cent.	82	Ditto 3 per Cent. Deferred	41	London & South-Westm.	100	Feb. 27.
Buenos Ayres 6 per Cent.	91	Turkish 6 per Cent.	94	London & Chatham & Dover	100	Feb. 27.
Chilian Bonds	...	...	...	Galedonian	100	131

RAILWAY SHARES.—(March 27th, 1865.)

	COMPANY.	PAID UP	PRICES	COMPANY.	PAID UP	PRICES
Bristol and Exeter	100	Feb. 27.	97	London & South-Westm.	100	Feb. 27.
Galedonian	100	131	131	London & Chatham & Dover	100	Feb. 27.

BANKERS' MAGAZINE,

AND

Journal of the Money Market.

MAY, 1865.

MONEY AND PRODUCE.

we possess a comparative abundance of money and discount, there has been a continuous depreciation. The markets for the leading staples, cotton, tea, &c., were scarcely ever before in such a depressed state until within the last week no prospect of recovery is in sight. With heavy stocks and sinking prices, the money market has been most gloomy indeed, and the failure of several banks has been frequently announced, and it is highly probable that we have not yet got to the end of the catalogue. The depression of trade has been so general through the stringency of the winter and November, and the losses then and since have been so enormous, that it has terminated in the closing up of houses which it was supposed would be able to weather the storm and show a considerable surplus. Several firms that suspended in the autumn of last year, although of no great importance, were in the majority of cases indebted to those of Messrs. Halliday, Fox and Company, Messrs. Kelson, Tritton and Company, Messrs. C. Joyce and Company, and Messrs. Buchanan, Hamilton and Company, who have recently been placed in liquidation. Each of these firms has suffered through losses in produce, and notwithstanding since the early part of the year the value of money has been declining, they were too much involved to allow of an escape from difficulty. The panic in cotton, the forced sale of the large stock of sugar, the heavy drop in the price of the large stock of sugar, have severally and collectively interfered with the usual course of business, that the result is of the disturbance not having extended further than it has, and not a few other important firms. At the same time that

these establishments have been compelled to succumb on every hand of the enormous sacrifices encountered in Egypt, India, and China, from the state of the market in Mincing Lane, and the general indisposition to speculative activity.

It is true that while these failures are taking place the discount has become reduced ; but this reduction does not indicate a healthy position of affairs, because the change has been occasioned by the withdrawal of large amounts of paper currency in circulation, and the partial cessation of transactions in all parts of the globe. Notwithstanding at present there seems no probable recurrence of heavy disasters here, we should not look for them from the East, and likewise from America. Events that are occurring must affect those special interests and entail responsibilities of no ordinary character. It could see produce advance, a rise of 1 per cent. in the discount would make little difference, for once the turn is gained we should soon see all activity where now a sluggishness was formerly apparent. It was thought that intelligence received of the surrender of Lee's army and the prospect of peace would have speedily inaugurated a new era of things, and that in the space of two months we should have experienced a revival which would have furnished ground of hope for the future. Indeed, symptoms of the long-looked-for change were assumed to be visible. Cotton prices were better, special kinds of tea fit for the market were higher, and Scotch pig-iron and Barren become in greater request.

But a check has now been given to this improvement by the last advices from Washington, which record the assassination of President Lincoln, and the attempt upon the life of Secretary Seward. So extraordinary a development in the progress of the war feeling never could have been anticipated, and it has created a deep impression upon both sides of the Atlantic. If the strong irritation thus likely to be caused throughout the North can, however, be allayed, a peace may yet be achieved which will give, at least, temporary, if not permanent, satisfaction to the late contending parties. Meanwhile, trade will revive, the lust of war and glory will subside, and the current of commerce and action will once more be directed to the proper employment of the resources of the country, and the restoration of manufacturing and agricultural capabilities.

With a return to material prosperity in America, there will be greater activity in other countries ; British, French, and German productions will be more largely exported

competitor as it still must be for cotton, will in its share in the altered situation of affairs. The opinion is, that the recent tragic proceedings in the North may give birth to some revolutionary and thus plunge the country into deeper difficulties. If the result can be averted, there is little to fear concerning intended aggression against either France or England. The appointment of a peace Minister to succeed the unfortunate Mr. Lincoln, would do much to create confidence in London and it is fair to presume, from the stress placed upon the words of General Grant that the military expenditure will be largely reduced, that the authorities at Washington incline to a path of sound economy and retrenchment.

The expectation that the councils of the North will be wisely, with such heads as Grant and Stanton assisting the President, whose shortcomings are very much censured, may be, should any revolutionary element become prominent in the bright era before the next four years shall have elapsed. Four years of active hostilities have done much to the country, sacrifice its best blood and treasure, and on the shoulders of the taxpayers a debt cumbrous to the adjustment. It will take at least thrice that time before the North or South will be able to place their order, which will prove one of our best safeguards against demonstrative exhibitions either on the frontier or in the interior.

The best show of desire on the part of the North to lay down the sword and adopt the ploughshare instead will be supported by all Europe; and it is the feeling that this is the best and the wisest policy, which induces the belief that the Washington administration have so early intimations of their peace intentions and a wish to resume the occupations of a civilised life. With these aspirations, the new chief magistrate and his ministry may exceed beyond their expectations in achieving a popular and enduring peace. But only, on the other hand, let them endeavour to pursue a career of bloodshed and aggression, and the North will never again acquire power or consideration in the family of nations.

In the next fortnight we shall ascertain what will be the dominating tendency of the new Northern officials, and England and France will be in a position to shape their policy accordingly. As it is, already a better demand is made for capital for use in London and elsewhere, and

from the position of the Bank's accounts it is not likely will be any further alteration in the rate. The arrangement made by Mr. S. Laing on behalf of the General Credit for the concession and consolidation of the international Turkey, will be the next financial operation of moment since within the last few days about £500,000 was forwarded to Constantinople as a part payment of the advance, this and other drains upon the resources of the Bank will prevent any great increase in bullion, even should it be maintained at its existing elevation.

The tone, too, of Mincing Lane affairs, whilst was more encouraging, the public seeming to be imbued with the notion that the worst in America, with regard to the war, had passed, and that the death of President Lincoln, meeting at his end has been, will not occasion any further great fluctuations. It was to be expected there would be a panic in the securities; that, in reality, has occurred, and has been somewhat mounted. Subsequent fluctuations may take place, but they can scarcely be of a serious nature unless an era of depression is introduced. If we can survive this shock, and no dire results follow, we shall have good average terms of trade, greater buoyancy in the produce markets, and a legitimate enlargement of general business. With an increased revenue, improved revenue, and a reduction of our local expenses, England will still make progress, and be closely followed by France.

THE BUDGET FOR 1865-66.

THE Chancellor of the Exchequer has propounded his Budget in an address of two hours and a half, explained the manner in which he proposes to deal with his surplus of nearly £4,000,000. The chief recommendations in the committee of ways and means are a reduction in the income-tax, placing it at 4d. in the pound, a reduction of the tea duty, and a modification of the fire insurance duty to a uniform 1s. 6d. A variety of other small changes in connection with the parties for vessels, the fees paid by conveyancers, and mortgage arrangements, will also be effected: but these are of secondary importance. Mr. Gladstone went at great length into the question of the duty, and declined any further concession associated with it, but he will introduce a bill allowing inferior and middling goods to be sold by weight instead of measure, if it shall be considered expedient. The balance of about £250,000 which will remain on his estimate for the year, he hopes will be protected by the house against the invasion of those who may think they have "claims to consideration," since it is necessary to have something in hand in case any of his calculations are not fully borne out by results.

OUTLINES OF AMERICAN FINANCE.

No. XV.

The Bank were completely triumphant, and stood an undisputed victor before Congress in his journeys to his country seat in Tennessee. He paid all his travelling expenses in gold. His admirers imagined that inexhaustible wealth would flow over the whole American land, there detained in a variety of productive and partly despised that paper money which had to pay their debts, reclaim their waste lands, spread their sails on every sea, make commerce an industry, and reach a state of unexampled prosperity. The friendly representative of value which had been ally when struggling for political independence, the establishment, had poured among them a wealth at which Europe had been astonished, and was regarded. In 1836, of his own mere authority, by an act of Congress, General Jackson issued his Circular, by which he directed the collectors to reject all notes tendered in payment of anything but coin. The Distribution Act, which gave the public deposits, passed the Senate and the House of Representatives by 155 yeas, and that the money which might be in the Treasury on the 1st June, 1837, reserving the sum of five millions should be lodged with the several States banks, for their respective representation in Congress, should by law authorise its treasurer or other officer to receive such deposits. These were to be paid to the States banks in quarterly payments, commencing on the 1st of January, 1837; but the intention of General Jackson was that the banks should hold the public moneys as trustees, never using it for banking purposes. He gained the conviction that the trust would be abused, he was soon undeceived, and his friend Andrew Jackson Van Buren, had to bear the burden of his

Circular created very general dissatisfaction, for the mercantile world felt that it was a decree of prohibition against the manufacturing industry. As a protest against it, a Bill was introduced in the session of 1836-1837, designating

and limiting the funds receivable for the revenue of the United States, and allowing payment in the notes of the paying banks; but it did not become law, as General Jackson kept it in his desk till Congress was adjourned, and the measure by never affixing his signature.

In his eighth and last annual message, 6th December, 1835, the President was compelled to acknowledge that his anticipations had been disappointed. The States banks, in fidelity he had vauntingly guaranteed, proved untrue. They very soon abused the confidence reposed in them, appearing to sad disadvantage when contrasted with the national bank. When the transfer of the deposits was first made, for the evident though concealed purpose of making a new capital, they who had sufficient discernment to perceive the moral courage to avow it, declared their distrust that the public money would not be forthcoming as commanded; but the President resented such suspicions, affirming that the States banks would neither have the power to divert the public funds from the legitimate purposes of the government. He now admitted that they had misappropriated those funds to wild speculation, thus described their proceedings:—"They had previously made loans on this surplus, and thus converted it into a new capital." The States banks did not pay interest on the deposits, and cupidity would not suffer them to remain unproductive. The national domains furnished a wide field for speculation, and in the years 1834, 1835, and 1836, lands were sold from the government to the amount of 1,000,000 acres, valued at millions of dollars, being nearly one-half of the total amount which, up to that time, had been received from the sale of lands since the constitution was framed. Many of the Indian lands had been removed to the west of the Mississippi, not by agreement. When the Cherokees crossed that river, they received in perpetual guarantee 13,554,135 acres of land in exchange for 9,492,160 acres on the east side. In accordance with the United States stipulated to pay them 5,600,000 dollars for improvements on the lands relinquished, and 1,600,000 dollars for subsistence and other beneficent purposes. For the lands acquired since the 4th March, 1829, to the 1st of January, 1836, 116,349,897 acres, the United States paid 76,560,000 dollars in permanent annuities and other equivalents. Many of the Indians with whom these contracts were made had previously been in the hunter state and become agriculturists, the old mode of living by their industry. This emigration of the aborigines

large tracts of land for sale, and as it was fertile, cotton and flour were rising at the time, speculation was rife. These were the chief borrowers of the money, and were induced to make banking capital of the money of the national bank no longer restraining or regulating the money of the country, the several State legislatures issued numerous banks, many with very inadequate capital, to supply a supposed demand for banking facilities, and a plausible reason was assigned, as the public lands were to be bought on credit, but only for ready money. In this manner specie was diverted from the legitimate uses of trade. Hence the enormous efflux of paper, without sufficient security, in search of dividends. The government was not blameless for the consequences which ensued. It not only winked at irregularity, which diverted revenue from sales of land, but encouraged the issue of bills to justify General Jackson's opposition to the extinction of the national bank would be for the benefit. Loans, discounts, and the renewal of bills were easily negotiated. On the lands surrendered by the States, and even towns, sprang up as if by magic; the law of June, 1836, was passed, which ordered all the money in the treasury, less five millions of dollars, on January 1, 1837, to be distributed in four equal instalments to the several States, and had time to operate, it was found the deposit banks had in circulation some forty millions of dollars in notes redeemable in specie on demand. The banks had been selected by the favouritism of the President and the Treasury; but his powers ceased with the passage of the Distribution Law. Henceforward each State received its share of the public moneys in defined proportions. The chosen banks, therefore, had to refund, that the law of repartition might be obeyed; this they at first refused to do, but only by exerting a ruinous pressure on their customers, refusing to renew their bills at maturity. For a while they saved themselves by crushing their customers in the cities, which they were the monetary centres, and as their resources succumbed their own strength was debilitated, and they were not paying twenty shillings in the pound. They were obliged to raise gold in England on securities, through the houses in London, but those houses themselves failed. Bankruptcy stalked over the land from New Orleans; and the crowning monument of General Jackson's financial statesmanship was industrial desc-

lation. But President Van Buren had to reap the his predecessor had sown and cultivated, and the catastrophe belong to the succeeding administration.

It is proper, however, here to notice that General Jackson, on resigning office, published a "Farewell Address," in which he admitted that a wild spirit of speculation had "within the last year or two." Clearly this was not to the national bank, for it had been rendered powerless at that time. He also complained that credit had been abused, which the suppressed institution was equally guiltless of its judicious management, and that of its twenty-five years credit had been kept sound, trade had prospered, the country flourished, and the public debt been discharged to the last dollar. The contrast was most striking between the state of the country when General Jackson first became President and when he left office. Of the abuse of credit and the recklessness with which men engaged in business, he spoke in these terms: "We have seen its effects in the wild spirit of speculation in the purchase of lands and various kinds of stock, which, within the last two years, seized upon such a multitude of our citizens, and to pervade all classes of society, and to withdraw the country from the sober pursuits of honest industry." This was a condemnation of the system he had introduced and maintained by his patronage. He then objected to any large surplus in the treasury (not anticipating there would soon be a surplus) for he observed that a large surplus implied high taxes, diminishing the means of corruption while it impoverished the people. He also condemned high tariffs when imposed to protect special interests. As a rule, he advised that revenue should be the exact measure of taxation, neither more nor less. He denounced national banks and all moneyed corporations, and insisted on a purely metallic currency.

This review of General Jackson's financial administration ought not to terminate without some brief notice of the fate of the national bank. When the directors were informed that the renewal of its charter was hopeless, they applied to the State of Pennsylvania for an act of incorporation, which was granted, though at the heavy price of nearly six millions of dollars; but its privileges were extended to thirty years, during which long period it was hoped that the purchase would be remunerative. If the bank had not consented to those exacting terms, the act of incorporation would not have been conceded. The fact was that Pennsylvania had vast and immense internal works, as canalisation and railway

length was unequal to the outlay. Hence the State granted the charter. The act of incorporation was an Act for the suppression of taxes established on immovable property to defray the cost of public State, and for other objects." One of those other the charter of the bank.

cession, General Jackson and his partisans were rage. The newspapers in their interest even public to raze the bank buildings to their foundation, the site with salt ; but these were the ravings of folly. The bank was established, and borrowed a sum, with which it paid off the capital due to the Government. It established agencies in the provincial Union which were nearly as profitable as the old State notes, however, were no longer legal tender in the single State of Pennsylvania. In Virginia a riot occurred. After the 3rd March, 1836, when the Bank of the United States had expired through the forgery, some of its notes were forged. The jury pronounced the following curious verdict "there is a law to punish." The judge acquitted on the ground that there was no penal law applicable. This judicial decision was clearly dictated by the charter of the national bank allowed it to wind up its affairs, and therefore it was entitled to sue against forgery till 1838.

Van Buren succeeded General Jackson in the presidency. He had been Vice-President with his predecessor, and was strongly united by personal friendship and political and financial views. The truly illustrious era of the revolutionary era had now passed away, and the address of the 4th March, 1837, Mr. Van Buren styled himself as being the first President of a new government coming to the rich inheritance of a settled government of an ample and unincumbered revenue. At the end of the year 1836 not only was the national debt of the States liquidated, but there were 41,723,959 dollars in the Treasury ; but within two months after Mr. Van Buren took office at the White House, nearly all the banks suspended payment in specie. The enormous inflation in land have been noticed. The banks of New England made enormous advances to the cotton planters, and borrowed largely in Europe. They were also indebted to monetary houses in New York. The

American agency firms established in London had various securities large amounts of bullion, which transmitted to their correspondents in the several States. Nearly three consecutive years this drain had been on the Bank of England, when the alarmed directors suddenly refused to discount American paper. The consequence was that the American banks and merchants were called upon to reimburse the advances made them by the agency houses in England. It was contemporaneously with this suspension of credit that Congress passed the Distribution Act, which entirely changed the relations of debt and credit in America, acting directly on all financial operations, and of course indirectly on all foreign payments. The deposit banks, hitherto favoured by the policy of the Treasury, were warned that the preference shown them would cease on the 1st January, 1837. The price of cotton began to fall, and the Federal government had to declare that it would only receive specie or its own specie deposits from the deposit banks for customs, postage, and all other public taxation. Thus the policy of General Jackson was fully ripened, and we proceed to exhibit its fruits.

On the 13th of May, 1837, the banks of New York, to realise their claims on the South and West, came to a unanimous resolution to suspend specie payments. The banks of New Orleans, finding it impossible to recover what was advanced to the cotton planters, adopted the same course. There was no complicity of action between the two banks, but there was no common and imperious necessity compelling them to surrendering to a common and imperious necessity. Ruin hovered with blackening wings over the industrial centres of the Hudson and the Mississippi. Prudence had compelled them to succumb, all the banks in the United States followed their example, and public opinion favoured this universal declaration that engagements could not be immediately fulfilled. In fact, it was a necessity not to be evaded. The legislature of New York passed a law so far as to legalise suspension for one year, forbidding the banks, however, from declaring dividends till that term expired. Some other States acted on that precedent, but were not followed in all. Other legislatures excused or justified suspension as an inevitable result, but refused to give it any sanction. This desperate state of things compelled Van Buren to call a special session of Congress, which met on the 4th September, 1837, in which he had to announce the suspension of the banks, and even of those to which

been entrusted ; but, what was still more mortifying, declare that prosperity had so completely vanished, that the Treasury was empty, and, as a consequence, that money was borrowed to defray the public expenditure. The millions of dollars were gone, and the national debt had to be paid off to commence a new one. This was a rebuke on the vain-glorious boasting of General Jackson. His shallowness as a financier was demonstrated. The Secretary of the Treasury had been compelled to repudiate the banks for whose solvency General Jackson had stood. Nor could he discover others safe under the conditions of the Circular ; nay more, such was the utter prostration of the country at that time had to be given to the merchants to redeem the money they had given for customs duties. Such were the circumstances that President Van Buren was compelled to confess, when he was expected to provide a remedy. In the message of the 4th September, 1837, he thus explains the state of the country :—

At the commencement of the year 1834 the banking capital of the United States, including that of the national bank then chartered, amounted to about 200,000,000 of dollars, the bank circulation to about 95,000,000, and the loans and discounts of the banks to about 320,000,000. Between that time and the 1st of January, 1836, our banking capital was increased to about 251,000,000, our paper circulation to more than 100,000,000, and the loans and discounts to more than 350,000,000.

To this last increase are to be added the many millions of credit acquired by foreign loans contracted by the States institutions, and by the lavish accommodation afforded to foreign dealers to our merchants. The consequences of this redundancy of credit, and the spirit of reckless speculation engendered by it, were a foreign debt contracted by the Government estimated in March last at more than 30,000,000 of dollars, an extension to dealers in the interior of our country of supplies greatly beyond the wants of the people ; the sale of 39½ millions in unproductive public lands in 1835 and 1836, while in the preceding year the sales amounted to 4½ millions ; the creation of debts to an almost unlimited amount on real estate in existing or anticipated cities, and on equally unproductive, and at prices not seen to have been disproportionate to their real value ; the expenditure of large sums in improvements which in many cases proved to be ruinously unproductive ; the diversions of much of the labour that should have been

applied to agriculture, thereby contributing to the of large sums in the importation of grain from Europe, expenditure which, amounting in 1834 to above 250, was in the first two quarters of the present year more than two millions of dollars."

Such was the financial and commercial exposition President, nor was it in the least coloured, but ar true. It was a picture of desolation at which the bo have stood aghast, and the desolation so graphica was entirely owing to the insane folly of supposing th commodity could represent and circulate all other co It was ascertained that there had been upwards of dred failures in New York, involving many millions. In New Orleans the sums owing and demanded forme gate of twenty-seven millions of dollars in two days. there were one hundred and sixty-eight failures in A large deputation from New York of all classes of and distributors had waited on the President to p possession of the real facts of the case. They compu moderate limits, the depreciation in the value of estate at forty millions of dollars; affirmed that a c taken place in local stocks, as railroad and canal tions, of twenty millions; that merchandize in the had fallen at least thirty per cent.; that twenty thous had been discharged from employment; that par seized an active, enterprising, and prosperous co finally, that the errors of rulers had produced more than pestilences which depopulate cities or con which reduce them to ashes. The New York deput cluded that the Specie Circular of July, 1836, was th all the adversity experienced, on the very simple bu ground that the precious metal could not be obtain cient quantities to represent the enormous and an ereasing wealth products that industry created. The is that the theory of a metallic currency assumes th commodity—coined bullion—can represent the va other commodities, which is a mathematical absurdit is equivalent to affirming that part is equal to the wh

President Van Buren, however, thought differe considered that distribution might be unlimited with instrument of distribution—that industrial producti progress indefinitely with a restricted currency. A his intelligence must have been aware that the law and demand was universal in its action; that the rent

of ships, the wages of labour, and the price of corn, all with the scarcity or abundance of houses, ships, and commodities; but if we are to infer his mental from his legislation, he must have concluded that money was an exception to this law; or, that, if it was, wise and benevolent statesmanship was gratified by the necessities of a penniless population. It is evident that houses are insufficient, an additional number are needed, and the materials of construction are readily obtained where money is limited to the precious metals, the quantity of which is impossible, because the additional material cannot be obtained. When rent is excessive, the remedy is simple. More houses are built till the supply meets the demand, and then rent falls; but there is no remedy in regard to gold and silver coin; consequently, the people must have it, are compelled to give more and more of the products of their labour, for a constantly increasing quantity of coin. Such was the state of America when Van Buren became President. He held that the government was to take care of itself and secure the coin by metallic taxation, and that it could not be expected to refer to the monetary concerns of the people, but, however, that government did so legislate when it required the labour of the country converting all its products into silver coin before taxes could be paid; for that was the law imposed by the Specie Circular. Government could not import gold or silver bullion, nor could it detain it; all it did was to mint the bullion, fixing its value by putting on it a moneyed denomination, and when the market price rose above the mint price, the coin was exported as bullion metal. The Specie Circular, however, demanded that when government had offered a premium for its coin, how was it to be obtained? By no other means than by raising the price of commodities, and thus tempting the people to return the coin,—in other words, by ruining the people. In this manner the interests of the government were arrayed in bitterest antagonism against the interests of the people, of which truth the statement of the New York Tribune was the illustration and the commentary.

THE BANKERS' GUARANTEE AND TRUST FUND

IN another page will be found a letter from the secretary of the fund to which we would direct the attention of our readers. As most of them are doubtless already aware, the fund has been established for the purpose of enabling the clerks and others employed in the banks of Great Britain and Ireland, by the simple plan of guaranteeing one another, to reserve to themselves the profits that have been accumulated for the benefit of the guarantee societies. This is certainly feasible, and calculated to effect a considerable improvement while the auspices under which it is brought forward augur favour for its success. It would appear, indeed, that many of the private and joint-stock banks have already adopted it, and this is the case it can hardly fail to extend its operations to the other banking establishments in the kingdom.

The old plan of requiring private security seems to have fallen into disuse, and whatever virtue may in former days have been supposed to attach to it is now known not to exist, for it is a well ascertained fact that those banks which insisted upon having private security were not less subject to losses from the dishonesty of clerks than those with whom it was not compulsory. We believe that most of the more modern banks will not even accept private security. And the reason is, that if, as experience proves, it does not prevent fraud, it is not half so good a security to fall back upon in the event of dishonesty, to say nothing of the disagreeableness of enforcing an innocent and worthy man to make reparation for the dishonest acts of some scapegrace of a connection and the risk of ruining him for life. More than this, we believe that private security is often tantamount to no security at all, the person being frequently not worth as many hundreds as he is said to be for thousands. And even if he is worth the money, to require him to and to enforce payment would, in nearly every case, be fully distressing. The objection, too, on the ground of the disagreeableness of the obligation, even to the most honest, is not without its weight, and may be added to the other causes mentioned which have tended to abolish the practice.

We have heard instances of young men in no respect inferior in character and trustworthiness to those appointed in their declining situations which they were most anxious to obtain, because they could not find the required private security, but that they either would not put themselves under the obligation to their friends, or would not hazard the unpleasantness of being refused at this or that quarter. Youths who would so act are not likely to turn out the worse men, yet good openings in life have been closed against them, not because they were less deserving, but more pious and independent than others. It is unpleasant enough to grant a favour of this kind: it is ten times more disagreeable to

refuse it is a painful thing; and to be refused—there is a sting that which has a most enduring sting.

and the receiving of private sureties being alike objectionable for many reasons, and having been found alike ineffectual to provide against, fraud, recourse has been of late years to the guarantee societies. It is known that these societies have made large profits out of the business, as which we may mention that the shares of the Guarantee Society, which £3 have been paid, are now worth about £13 per share, so that this represents anything like the proportion of the business brought to them by bank clerks has been. The fact we believe to be that, although guaranteed at a less rate than other clerks, they have been paying largely for the benefit of classes less honest than their own. It is at least probable that considerable profits have accrued from their annual business, of which they might all along have kept to themselves the plan of organizing together for the purpose of guaranteeing themselves.

It seems to us that if this plan is generally adopted, there will be a saving of "profit," but very likely an actual diminution of the salary of every clerk who is a defaulter to his employer will like that of his fellow clerks, and these are they who have the best chance for preventing and detecting frauds. So that, upon all as upon economic grounds, we are disposed to look upon the plan with favour.

If banks have, we believe, subscription funds of their own, it is one of the objects of the provision of a guarantee fund. These funds necessarily require for their support compulsory contributions from the whole staff, and the accumulation is considerably in excess of what is required to make good the losses occurring among the clerks, by far the larger portion of the cost of the lot of those who spend a lifetime, or finish their career in the bank's service. There seems to us to be great force in the argument, that it is more desirable that there should be but one fund for the whole body of bankers' clerks, which would enable them to obtain their securities at the lowest possible cost, and to remain in the service of whatever bank they might be engaged. At present a clerk in a bank that has a subscription fund forfeits his subscription on leaving the bank, whereas a clerk in a bank which has no subscription (and a much smaller one) to a general fund, his interest in it would continue as long as he remained in banking service.

The Bankers' Guarantee and Trust Fund has our best wishes for the successful accomplishment of its very worthy purpose, and we hope to hear that it has been approved and adopted by the directors and staffs of all the banks in the kingdom.

THE CURRENCY SYSTEM.

To the Editor of the "Bankers' Magazine."

SIR,—Public attention has once more been attracted to our system by another monetary pressure, and it is probable that next year have a parliamentary inquiry into the whole. Expressions of dissatisfaction, loud and deep, resound from all quarters, and it is the general opinion that the difficulties which have inevitably arose from the sudden collapse in prices last autumn were materially increased by the high rates of interest. That the high rates, doubt, principally arose from a combination of causes over which the Bank had little or no control; but it is the opinion of many that the Bank's action was not justified in having recourse to the extreme rates, and so greatly to the commercial losses and embarrassment. It is, however, the opinion of many that the Bank was merely acting up to the money market adopted by the legislature in 1844, and the true course of action taken by those who object to the action is to examine the soundness of the policy, and if possible point out the errors which exist in that thick mass of reasoning on which it rests.

The advocates of the policy contend that the high rates of interest were produced by a heavy exceptional demand for capital, and that they were the means of protecting the country from a financial crisis. They have found an exponent of these views in Mr. Stirling of Glasgow. In a pamphlet recently published by him, that gentleman has furnished the world with the data on which these opinions are grounded, and I shall feel obliged by your permitting me to point out the utter incorrectness of his figures, and to call his attention to one or two other little errors into which he appears to have fallen.

This exceptional expenditure, we are informed, amounted in the last two years to £400,000,000 per annum, and we are told that we cannot reasonably expect a return to a normal state until some relaxation has taken place in the elements of pressure. Now, when I mention that the elements of pressure alluded to are—1, increased cost of cotton; 2, demand for limited companies; 3, increased ordinary expenditure in Europe and France; 4, European loans; 5, American war expenditure, I think it will appear pretty evident that Mr. Stirling's proposition has been completely falsified by facts. The pressure has not appeared before any material alteration has taken place in the elements, but the money market has entered upon a period of contraction, and instead of this being attributable to any such theoretical cause, it arises principally from the general inactivity of trade, and to a great extent by the check inflicted by the late stringency of the money market.

And an examination of the figures given by Mr. Stirling confirms the suspicion which this fact creates, that he has

rather reckless assertion, in the place of facts; and that, teachings of the school to which he has pinned his faith, erred creating figures to suit his thesis, to conducting a serious operation of extracting the truth from an extensive examination of facts.

in this estimate of £400,000,000 is the sum of £100,000,000 as the demand for limited liability companies. I may take the capital of the projected extension of old companies and the creation of new ones amounted in 1863 to £135,300,000, and in 1864 to £145,000,000. But even if the figures he gives had been correct, on what ground can they be said to have assisted in the operation of discount? Let Mr. Stirling make the experiment of a prospectus, demanding for some great scheme not £100,000,000 in the course of a year, but any conceivable multiple of that in a single day, and he will have his eyes opened to the fact that demands of this nature do not exactly operate in the same manner or to the same extent as an actual consumption of capital. The fact of the matter is, that of the £100,000,000 demanded, or rather proposed, in 1864, only £10,000,000 was really paid, and only a very small portion of this can with truth be said to have affected the money market. The largest portion of it merely consisted of the displacement of capital for joint-stock enterprises, and the development of new companies which would otherwise have been made as partnerships of individuals. £10,318,333 was added to the joint-stock capital of the country; £4,213,750 to financial and insurance companies' capital. The figures which Mr. Stirling has so often taken are the offspring of that principle of limited liability, which is actually consolidating the business operations of the country, and in my opinion more clearly indicates the nature of the problem which he has undertaken to defend, than his infatuation in attempting to persuade the public that £110,000,000 of capital was required for limited liability companies in each of the last two years. At an equal amount of reason, our new financier includes in his estimates, a sum of £50,000,000 as increased ordinary expenditure in England and France. Having made the discovery that the expenditure of these countries increased £50,000,000 per annum between 1852 and 1862, he has not hesitated to assign this as one of the causes of the doubling of the rate of discount throughout 1863-4. Need I say that he might with quite as much have included the heavy expenditure of this country in the early part of the present century, in his estimates. Does not the simple fact that the money market has been easy for lengthened periods, since the heavy expenditure arose, prove that the supply of capital had increased itself to the increased demand? But not only has the supply not been increased within or just prior to the rise in the rate of discount in question, but it has actually diminished.

He places £40,000,000 as the increased cost of cotton, the value of these figures will be appreciated when I point out that the amount merely constitutes the difference between the cost of cotton imported into this country alone, during the periods 1861-1865. No allowance whatever is made for the increased value of cotton in the article.

I do not contend that these things did not to some extent contribute to the cause of the rise in the rate, but I protest against such statements as those made by Mr. Stirling, being thrown into the public discussion. The subject is sufficiently difficult without any additional theory being added to the already cumbrous mass. The author examined the trade returns he might have noticed the discovery that the exportation of bullion to India and the increase from £10,000,000 in 1861 to £23,000,000 in 1865. He would probably have been very liable to add the £23,000,000 to his estimates, but a very slight knowledge of the subject would have given him the true explanation in the changes taken place in our trade since the commencement of the war. He might also have known that the commercial policy of this country do not object to such a change in the rate of interest as the state of the Exchange and of the Bank's reserve renders necessary; but when they find the Bank experimentalizing at the expense of and inflicting losses, and creating confusion for the purpose of turning the flow of a few hundred thousands of bullion, they take the liberty of questioning the soundness of the policy which has produced so significant an end entails losses on them to ten times the amount when they find that the screw is put on in obedience to a policy which is based on the assumption that drains of gold never arise. When there is an excess of money, they protest against being sacrificed to a policy which is on the face of it so palpably absurd; and denounce the assumption which is condemned by the most eminent thinkers of the subject, be at once fully examined before it has had time to produce another panic.

Lest, however, it should be supposed that Mr. Stirling is exhausted in this innocent piece of statistical romance, I will point out one or two other points of his production.

It would generally be supposed that before a man would undertake the responsibility of advising a great commercial nation on the application of a policy which has been condemned by some of the most eminent financiers and economists, he would at least give a full and free of his attention to the principal points of the question. Mr. Stirling, however, appears to consider this entirely unnecessary, and relying on the depth of his great statistical researches, he professes the most delightful absence of knowledge on the subject. Speaking of the rule formally adopted by the Court of Directors in 1827, of holding an invariable amount of securities, he says, "It is difficult to understand on what scientific or even

rule was founded." Now, the rule in question was the express object of carrying out the same principle as 1844 is intended to enforce. That Act did not introduce a principle or policy, but merely a different method of application. The fact it did not altogether do even this, as the Bank had carried out the division of departments since 1844. The object of the rule of 1827 and the Act of 1844 were intended to be that of making our mixed currency fluctuate as a purely metallic currency would do. The Bank had acted on this policy in 1827 and 1839, but it was contended that it had not been successful in those cases, and it was even admitted that its operation had produced the panics. "The first object of the Act," said Sir Robert Peel in the House, the 6th May, 1847, "which I admit it has failed, viz., to prevent by early and severe and sudden contraction, and the panic and controllable from it."

Want of knowledge on this important part of the question has been attributed Mr. Stirling's question—"How, indeed, could a law, passed but the other day, and applying to England, have caused convulsions, stretching far into other times, and affecting the commercial world in their extent?" It cannot be denied out that it is not the mere Act of 1844 which is at fault, but the principle on which that Act is based. The convulsions have all arisen either from political events, or from unsound monetary arrangements; and it has been the opinion of recent writers on this question that the great convulsions of the country were caused by the application of the same principle under the Act of 1844 and on the authority of the Bank. It produced the crises of 1847 and 1857. I now contend for the complete abandonment of this disastrous and unsound principle, and advance that it is not enough if a monetary system is constructed as to be able not only to weather storms, but to anticipate and prevent them, and that at least it should not take the course of creating or increasing them. The object of the system is to attain its end with as near an approach to perfection as possible. That end is to conduct the vast operations of commerce to the greatest degree of perfection. Instead of as at present, to expose commerce to an untenable theory, the system ought to be constructed to do the work it has to perform. Therefore prepare for all the demands for bullion to which an enormous commerce producing machinery for the absorption of a portion of the stock of bullion which is in the channels of circulation; and of sacrificing your commercial classes for the purpose of accumulating a stock of gold tacitly accumulated to meet the use of your reserve, tide over the demand, and by thus making the commercial or money-making machine in full working

order, depend upon it your stock of gold will be soon than by throwing the machine in confusion.

Mr. Stirling defines the support of public credit as the of rotten establishments. This is a rather common error. A system of credit is condemned because, like all other is liable and subject to abuse. On the contrary, public credit is the very keystone of our commercial greatness. It is the greatest banking and financial institutions in the world, which are silently but rapidly binding in one common whole human race, and enabling the human family to the greatest extent the inexhaustible productive forces of protection and perfection of the system, which collects to and directs it into this channel, becomes every day more the consequences of its derangement every day more disastrous. The useful as experience, consisted of destructions of public system Mr. Stirling has undertaken to defend has repeated those disasters.

Yours very respectfully

Liverpool, April, 1865.

THE BANK OF ENGLAND AS IT IS, AND AS IT OUGHT TO BE.

MR. EFFINGHAM WILSON has lately published a pamphlet, "The Bank of England as it is, and as it ought to be." John Sawyer, author of the "History of Banking," is a gentleman appears to be at issue with the Chancellor of the Exchequer in respect to his bill granting a lease to country bankers to continue the circulation of their notes for a finite period. Since Mr. Gladstone's first introduction of the bill he has made considerable alterations in it; for instance, he has reduced the period of the lease for issuing notes by the Bank from 25 years to 10, and he has altogether abandoned the plan relating to the compensation to be paid out of the consols to any banker to whom a lease is granted, and who is bankrupt, in respect to his right of issue. The author of this portion of the measure were evidently written before the Chancellor of the Exchequer consented to abandon the clause of compensation, he argues, "partakes of the grossest injustice less than this—a banker hopelessly insolvent has been

by virtue of a lease granted by and under the sanction of the Government, until he finds himself so deeply involved as to render it impossible to continue his banking operations. He is, therefore, a bankrupt. The Chancellor of the Exchequer pays the bankrupt a compensation for the loss of his business. The author further says: "It is impossible to predict how long the banks may fail between the time the measure becomes law and the time it does pass, and the expiration of the lease, but we are stating our belief that, in such events happening, the Government will be highly blamable, if not responsible, for the consequence." One remarkable incident in reference to this subject is, the failure of Messrs. Attwoods and Co., of Birmingham, not long after it did, it might have had a lease granted by Parliament for the issue of notes, being at the time "hopelessly insolvent." This undoubtedly caused the Chancellor of the Exchequer to make an inquiry into the circumstances of the banks to which the Government sold, for a consideration, the privilege of issuing notes for ten years. The author advocates the suppression of the country banks, and the substitution of the notes of the Bank of England in their place; but we think it would be inexpedient such a sweeping measure as that of merging all the profits of issue into that of the Bank of England. The law, as it now stands, does undoubtedly reserve to the Government the power to take the Bank of England twelve months' notice of the termination of its charter as a bank of issue, but it would hardly be prudent to exercise it. Mr. Lawson proposes that a similar notice be given to the country bankers, viz., that from and after such a day their right of issuing their own notes, or coining, as it were, their own money, should cease and determine; that there should be but one bank for the whole country, and that bank to be the Bank of England. The manner of carrying out his proposal is somewhat different from what will doubtless startle not only the authorities of the Bank, but those who are opposed to its present monopoly. He says: "The Government repay the Bank of England the £11,000,000 of its capital for that corporation. To do this would be a very simple operation. The Government could easily borrow the money and pay it to the Bank. Such an operation would be no increase of the national debt, but would simply be the transferring of the debt due to the Bank to the Government for the loan. The future capital of the Bank to be £20,000,000, divided into 500,000 shares of £200 each, of which 10,000,000, or £50,000,000, would be called up; this would be three times its present capital, and would leave as a security £15,000,000 of uncalled-for stock to provide against contingencies." Mr. Lawson also proposes that the Bank of England, and its branches in this country, should establish branches in Bombay, and Madras, which branches should be the depositories of all the Indian public revenue, the same as is practised in

this country, and that such branches should have the issuing Bank of England notes precisely on the same plan adopted in London and the several country branches of England ; that the amount of such notes be £25,000,000 at present a Government paper money in India, amounting to £7,000,000. This amount is far below the requirements of the country, and it might be largely extended without encumbering the currency.

Much importance is undoubtedly attached by the mercantile trading community to the extension of a sound system of currency throughout India ; but, as confidence is a plant of slow growth, it might be some time before so widely extended a paper currency could be habituated to the new order of things. Such an issue could undoubtedly break down the immense rates of interest charged by the shroffs, or money-lenders, who abound in almost all the cities and towns throughout India, and whose charge of 36 per cent. per month, equal to 36 per cent. per annum, is paid for bills on mercantile houses in Calcutta.

The Indian Government notes are issued through the post-offices in the three presidencies, and are looked upon simply as bank notes issued by the banks issuing them ; the world-wide fame of the Bank of England has extended to our Indian possessions, and the people regard it as a corporation of immense wealth. The notes therefore of the Bank of England, if introduced into India would, Mr. Lawson says, be looked upon with as much confidence as though issued by the Government, with which the generality of the people identify it, and consider it identified, and it would be difficult for any one to look upon them to the contrary.

Mr. Lawson recommends that, in addition to the advances to be rendered by the Bank to the commercial body, that the Bank might be empowered to issue a large amount of debentures to accommodate the landed interest with loans on the security of the landed estates, which security he considers far exceeds the value of the exchange. Objections have been made to the Bank issuing money on land, as such business is transacted by companies formed with that object ; but as such advances would be in the issue of debentures, they would not interfere with the banking business of the corporation ; in fact the Bank has already sent time occasionally lend money, not, however, to any extent on the security of mortgages. Mr. Lawson's work contains many details respecting the management of the Bank of England, and its dealings with the Government, all of which will be found of interest not only to the public generally, but even to those who are engaged in is to have daily transactions with the Bank of England.

BANKING AND FINANCIAL ANECDOTES.

No. V.

A FORTUNE MADE BY PICKING UP A PIN.

"Upon a day," in the year 1787, a boy hurried along the
 antin, and stopped before one of the handsomest houses
 in the street. The boy was Jacques Lafitte ; the hotel was
 the great banker Perregaux. The lad had not long
 his home in Bayonne, and had come to Paris to seek his
 fortune, hopeful and ardent, yet with very indefinite plans. The
 through the gate of the mansion ; he was in one of those
 which form so pleasant a characteristic of the best French
 courage began to fail him, and he would have gone
 if he had not the *concierge*, seeing his embarrassment,
 and kindly. The official guardian of the house having
 called him, "I want to see Monsieur Perregaux," said the lad,
 "I will go up stairs," said the porter ; and the country lad as-
 signed a magnificent flight of polished steps. The banker was stand-
 ing in the window of his room, reading a letter, and scarcely looked
 up in obedience to his "*Entrez*," the lad came in. The banker,
 only made aware of his presence by the lad's hurried
 entrance, Monsieur Perregaux looked up, and saw a boy standing
 before him very anxiously. The great banker courteously
 asked what he wanted.

And the lad, "I have neither name, fortune, nor station,
 no desire and the power to work. Can you give me a
 clerical office, if it is but the lowest ?"

"What is your name, young man ?" interested by the bright and
 countenance of the boy.

"Lafitte."

"Where are you ?"

"In the *monseigneur*."

"Are you a Parisian ?"

"No, *monseigneur* ; I was born in Bayonne."

"What is your father ?"

"A carpenter, *monseigneur* ; but he has ten children, and I have
 no money to try and help him to support them."

"You are a very praiseworthy, young man ; but I have no place just
 disposal. Another time, perhaps."

The lad retired, discouraged and sorrowful. He again traversed

that magnificent flight of stairs and passed the court downcast eyes, he saw a pin on the ground, and stooped up. The banker was watching him; the lad coughed, and looked at the window. The banker beckoned him to return, and hope lighted up the lad's face, and he was in a moment in the presence of the financier.

"The young man who would pick up a pin and care for his coat must have a mind trained to economy and order," he said.

"Monsieur," said the young man, "you will grant me that?"

"Why do you think so?"

"Because you have called me back."

"You have quick intellect, order, and economy; you are a good clerk," said the banker. "Go to the bank; I will employ you, and give you work."

Jacques Lafitte was installed as a junior clerk. Such a position could not long remain subordinate. He became book-keeper, cashier, then partner, then executor. He was appointed to the Bank of France in 1809, and in 1814 president. He had been made President of the Chamber of Commerce, judge of the Tribunal of Commerce for the department of the Seine, for which department he was chosen representative in the Chamber of Deputies. He had held high positions during two revolutions, and still maintained the respect of the commercial community, the esteem of his private friends, always cherishing with gratitude the memory of his early benefactor. On the 26th of March 1814, Jacques Lafitte, the great banker, whose career illustrated the saying, "What great events from little causes spring!" for his first business was turned on picking up a pin.

ROTHSCHILD AND JONES LOYD.

THE elder Rothschild, "the pillar of the Exchange," had been friendly to Mr. Jones Loyd, and carried this feeling so far as even, to wish to injure his commercial reputation. In 1825, when the failures were taking place, Rothschild, unsolicited, opened Jones Loyd's bank, and paid in notes to the amount of £1,000,000. Jones Loyd was only too pleased to have such an influential friend, and had no suspicion that the great financier had any arrière-pensée. The halcyon days were few, for a week or so afterwards

for the entire amount was presented, this cheque the heaviest that was ever drawn. Mr. Loyd's clerk was to know if it was to be paid. Mr. Loyd then at child's idea had been that, in the run that had taken place, some of this money would be used—that the demand would not be met, and that thus, at the least, confidence in the bank would receive a very heavy blow and sore discomfiture. Mr. Loyd was, however, prepared to meet it, and the offer was refused. Any ill-feeling that Mr. Rothschild was at once absorbed in his astonishment and could not parry of the attack, and he again offered his services. But the hand that parried one blow could not be so easily parried a second—Mr. Rothschild's offer was refused.

OPTIONAL NOTES.

The financial crisis of 1793 showed in glaring effects the effects of the legislation of that day, which, by the establishment of joint-stock banks, encouraged the class of small tradesmen in the country, passing off their notes as bank notes, but undeserving the title. One of the causes to be found in the reckless operations of many of the country bankers, particularly their unchecked issue of notes. There were about three hundred country bankers, who manufactured notes, some of them very liberally, and more than what were termed "optional notes," payable in London or in the country. These little bits of paper, in nearly all instances pictorial representations of the Bank of England, not only came floating up to London in great numbers, but were welcome in the shops, yet taken on the credit of the Bank of England. The Bank of England was resorted to on the part of the country bankers to convert their paper into the great circle.

MARK SPROT.

Mark Sprot was in London in 1780—if, indeed, anybody or anything had been settled in London at that time, when the banking business was in the arms of every one. He turned his attention to banking, but his means and his influence were alike small, and he

prospered ; government loans and government lotteries a him. Mr. Mark Sprot on one occasion received a visit from who owed him a large sum, and who told the great capitalist become so—that he, the visitor, was a ruined man. That a broker, and he informed Mr. Sprot that he had done to a large extent for a noble earl, who, being dissatisfied with the quotations had taken, had refused to pay his agent. Mr. Sprot urged the broker not to be uneasy ; that the claim was pressed ; but made an arrangement that the two should meet a nobleman. On business thoughts intent they accordingly met the earl, who, on application being formally made, merely in a cavalier style, that it was not convenient to settle just now. Mr. Sprot, however, was not to be put off thus, and firmly insisted unless the amount was paid before such and such an hour of the day, he would post his lordship on the Stock Exchange and the threat—for the carrying out of which, Mr. Sprot's credit was a guarantee—was effectual, and the debt was paid before the named.

FRAUD BY A MEMBER OF PARLIAMENT.

FEW trials, which were not for life (says Mr. Francis*), have much interest in the City as that in which Benjamin Plomer, a member of the Senate, a member of the Stock Exchange, a confessed felon—stood at the bar of the Old Bailey on the charge of defrauding Sir Thomas Plomer. The bench was crowded, the rank and respectability of the City ; and the melancholy aspect of the prisoner, his grave bearing and dejected countenance, the interest of the spectators and bespoke the remorse of the prisoner.

In 1811, Sir Thomas Plomer informed his broker, Mr. Walsh, M.P., that having bought an estate it would be better to sell out a large amount of stock to complete the purchase. He advised Sir Thomas not to sell directly, as there was a prospect of the funds rising ; and the title of the estate not being settled. This advice was complied with. About the middle of the year, however, Mr. Walsh changed his opinion, and repeated his advice to Sir Thomas to sell his stock, alleging his belief that the price would rise. Again the broker's suggestion was complied with ; but before the money was required for the estate it was rec-

* *Chronicles of the Stock Exchange.*

at, to prevent it from lying idle, exchequer bills should
with the proceeds. Sir Thomas again consented, and
amounting to £22,000 to Mr. Walsh, who promised to
at Goslings', the bankers to Sir Thomas, and hand
receipt. In the evening, however, he presented their
for only £6,000, and making some excuse for not
the remaining exchequer bills, promised to deliver
following day, adding that, as he had not settled for
paid the difference to the account of Sir Thomas. The
y home called at his bankers, and found that, though
exchequer bills had been deposited, the cheque of Mr.
£16,000 had not been received in time for presentation.
as, however, attached to the transaction until next day,
he was refused payment. Sir Thomas was immediately
inquiry instituted. It was soon found that the money
ly gained had been disposed of in paying his brother
chasing £11,000 American stock, and in investing
guineas doubloons. The prisoner was found guilty; but
reserved for the judges, being interpreted favourably,
ged from Newgate, and expelled from the House of

FAILURE OF ATTWOODS, SPOONER AND CO.

meeting of the creditors of this bank was held in the Town-
um, on the 30th March; the Mayor (Mr. Henry Wiggin)
e was a large attendance.

a opening the proceedings, remarked that it would be re-
the first meeting, which took place that day fortnight, they
our of electing him a member of their committee; but he
y that owing to his numerous engagements he had been
any of the meetings of that committee. In consequence
fortunately, he was not a creditor, he yesterday sent in his
he had since received from Mr. Allen a letter requesting
nt at this meeting, lest there might be an impression that
ur in what the committee had done. As that impression
he had great pleasure in consenting to be present, and,
ng an adjourned meeting, he was inclined to believe that in
e on that occasion he was in his proper place. (Hear, hear.)
had so ably presided over the meetings of the committee,
what the committee had done.

Miller, the chairman of the committee, read the following
Seldom, if ever, has a graver duty, or one involving deeper
ischarge, been laid by a Birmingham meeting upon any body
ownsmen than the duty intrusted to this committee by the

first meeting of the creditors of Attwoods, Spooner, Marshall & Co. The stoppage of that firm will form an epoch of prominent importance in the commercial history of the midland metropolis, baffling, and but too probably in some cases ruinous, effect work themselves out, and must be felt for years to come. Your committee believe that they will not be censured as having neglected the terms of their appointment, if they do not present to you a full and complete history of the bank from the day on which its doors were shut on 1791. Questions may arise in order to a final winding up of the bank which may oblige the assignees to go back beyond the date on which your committee propose to start—questions of the liabilities of the joint estates, affecting the liabilities of successive and varying partners of the firm to successive creditors. Those questions may be referred to a competent tribunal, inasmuch as not only all the original partners are deceased, but successive and varying partners who have been members of the bank since that date only, and he of comparatively recent date, survives. They should they arise, must be dealt with by the assignees under the guidance of legal advice. In their hands your committee leave them. Your committee will start from the 1st of January, 1854. But in starting from that date, selected as being the date from which the last combination of the bank commences, your committee must premise that the bank was in existence on condition as far back at least as 1836, the year in which Matthew Attwood, the father, died. He died largely indebted to the bank, and the assignees are of opinion that his estates should be sold to pay his debts, and that the same should be made to his sons by the bank should be charged to his account. As regards the sale of the estates the directions of the will were to be followed. Instead of this the debt to the bank was largely paid by mortgages to the bank to a large amount. In 1853 Richard Attwood insisted upon the transfer of the estates to the bank as a condition for largely increased sums then owing by the Attwoods. Your committee think it right to premise, further, that the account of the bank for 1853, one of the partners, who died in 1840, does not appear to be overdrawn. He had for some years a capital of £22,000 which he left to his executors. This gentleman had taken steps to relieve the Attwood family the necessity of paying off the large family debts when his agent was stayed from further proceedings by the death of Mr. Isaac Spooner's sudden death. In January 1854 the firm stood as follows:—George Attwood, Richard Spooner, Richard Attwood, George Marshall, Henry Marshall, Thomas Attwood, &c. By none of these partners was capital brought into the bank. Your committee have been more than startled by the discovery that there was no capital at this date, but a deficiency of about £20,000. This deficiency, the main cause of the ultimate ruin, arose from the fact that £235,000 of this sum being the balance of the money drawn by the Attwood family, after giving credit for the value of the estates of Thomas Attwood and Richard Spooner appear to have joined with the Brickfields estate with bank money in 1813. This estate was transferred in 1825 to Richard Spooner, at the sum of £20,000, and charged to him in the bank books. By the accumulation of interest beyond profits, and a payment of £4,000 for enfranchisement, the sum increased to £27,074. 17s. 10d. in January, 1854. Against this sum the bank held as securities the deeds of the estate and certain policies. Mr. Spooner paid interest at 4 per cent., and was debited with premiums on the policies. The estate was subsequently conveyed to W. Whateley upon trust for sale to secure the bank, and is now

ned at £20,220. Of this estate Mr. Richard Spooner received the creditors will clearly understand the position of each of the members of the firm of 1854, in reference to the bank, from the statement:—Mr. George Attwood died in May, 1854, having, by the agency of Mr. Spooner, made over all his real and personal estate to the bank. His debt, after deducting the value of his estates, was £235,000. Mr. George Marshall died in February, 1855, having brought in no capital, and leaving no deficiency on his account. Mr. Thomas Attwood died March 6, 1856; he left the bank £12,286. 10s. 3d. Against this there are no securities. Mr. Thomas Aurelius Attwood died April 8, 1864, having beyond the proportion assigned to him as a partner £7d. Against this there are no securities or assets. Mr. Thomas died November 24, 1864. The balance against him was £2d., reduced by estimated value of estates conveyed in trust to the bank, for the bank, as already stated, and by a sum on his account, to £3,448. Mr. Spooner had regularly applied his annual salary to him as a partner, to the liquidation of principal in the Brickfields estate account. Mr. Henry Marshall brought no capital into the bank. He appears in the bank books to the amount of £1,545, but for this there is a sufficient credit, which, had the bank remained open but two or three days, would have stood to his credit and left him clear. Your committee are of opinion that the Messrs. Marshall cannot be regarded as having occupied the position of chief clerk to that of partner, at a remuneration exceeding the salaries of their former position, from any selfish consideration. Ever strongly this step must be condemned on other grounds, as self-aggrandizement can be imputed to them; nor did they avail themselves of their partnership in any way which calls for the sanction of the committee. The arrangement between the six partners was that George Attwood should have an annuity of £1,500; Mr. Marshall, £1,000; the two Marshalls, £750 each; and Thomas Attwood, £500. On the death of George Marshall the sum assigned to Aurelius Attwood was increased to £750. Since Midsummer, 1854, the living partners have each taken credit for £1,000 per annum. In the foregoing figures and facts that in 1854 the bank was in deficit to the amount of £270,000. At the time of the stoppage this deficit had increased to £340,000. To the growth of this alarming and increasing deficiency your committee have naturally directed their close attention, and a point foremost among those on which the suffering creditors should be made aware of, and deserve full information. The causes are patent—1. The want of interest to the bank by the Attwood withdrawals, inasmuch as the estates of George Attwood yielded but a small interest, even at the rate at which they were taken to. Richard Spooner's debt, as has been stated, bore interest at £4 per cent., and was regularly paid out of the share of the supposed profits. No bank could contend successfully against such family overdrawings as has been brought to light in the foregoing investigation. At the risk of repetition on so grave a point the committee submit the following recapitulation:—

George Attwood	£235,000
Richard Spooner, deducting value of estates, life annuity, and credit on private account	3,448
Thomas Attwood	12,286
Thomas Aurelius Attwood	6,759
	<hr/>
	£257,493

"2. The system of overdrawing by customers seems to have been in this bank to too large an extent. 3. While it has been held that the profits of the bank ranged from £15,000 to £20,000, and that thus every year the formidable deficit with which 1854 was being reduced, the figures and the fact are far otherwise. The profits of the bank for the eleven years from January, 1854, to January, 1865, without any provision for bad debts, was only £49,019. The average of little more than £4,000 a year; of this £32,687. 10s. has been the credit of the partners and drawn out, £1,400 has been the depreciation of bank premises, leaving a balance of only £11,287. 10s. to meet the large amount of bad debts. These bad debts, together with the above small amount of profit, swell the deficiency to upwards of £100,000. Your committee feel it to be due to Mr. Edwards, the cashier, that they have been in the bank for nearly thirty years), to say that they have reached the conclusion that he was entirely ignorant of the true state of the affairs until recent negotiations brought it to light. Your committee were requested by Mr. Whateley, the solicitor who carried out the arrangement for the partnership of 1854, and the sale of the bank, that he was entirely ignorant of the amount of the debts of the bank, George Attwood and his family, and that he was never informed of the state of the bank until after the death of Mr. Aurelius Attwood, in April last, 1865, at which time negotiations were commenced and carried on, until the bank stopped payment, for amalgamating it with the Birmingham and Ham Joint-Stock Bank, Limited. Your committee, looking at the resolution under which they were appointed, gladly perceive that a part of their duty to bring in a verdict, nicely apportioning blame and moral guilt which attaches, respectively or collectively, to the several parties, this bank has been thus brought to ruin. They dare not, however, shirk their solemn duty to bring before those who are their fellow-citizens and who have so largely, so patiently, and so generously contributed to their unwelcome task, the naked figures and facts herein embodied, which cannot but anticipate that their report will produce a deep and painful impression, not in Birmingham only, but throughout the whole of the commercial world. Nor can they hide from themselves that the anticipation for continuing the bank after January, 1854, has wholly failed. There was no accumulation of profits to justify the hope of the bank's diminishing the overwhelming deficiency; while neither the success of the estates turning out to be very valuable, nor that of the family coming to the rescue, was sufficient to encourage the continuance of the business. They record this with the deepest sorrow, and cannot tamper with the first principles of commercial morality, in disregard of which goes far to annihilate confidence, and so entails ruin upon innocent thousands. For many years the bank has attracted to itself a generation of depositors, who, in its stability has been all but unbounded—a confidence which was increasing than waning at Christmas last. The researches of the committee enable them to affirm that for 11 years, at any rate, the recovery was hopeless. Thus much the committee has been unable to hold, lest reticence should be regarded as acquiescence or approval. They turn gladly from this most painful branch of their duty to the efforts which they have made to secure the main end of their mission, as large and as prompt a dividend as possible for themselves and their fellow-sufferers, believing as they do, that this is pre-eminently the object which an early, though small, dividend is preferable to the

tage. Your committee address themselves without a day's investigation of the statement presented to the creditors on surviving partner. The pressure upon the accountant and for the proof of debts and other duties which could not be precluded such a minute and exhaustive scrutiny as would them to pledge themselves for every item, but they report giving that the statement is substantially correct. With regard to the estates they have great pleasure in reporting that the valuation of the estate, made especially with reference to the probabilities of the future, confirms the figure presented in the balance-sheet. Your committee, at a deputation, consisting of the chairman, Mr. John Gough, and Mr. Hughes, to London, to seek an interview with Mr. Wolverley in order to place before that gentleman the strong claim which, in the case of the creditors had upon him. They grounded their claim mainly upon the facts that this gentleman is the son of Mr. Attwood, the younger, and consequently grandson of Matthias Attwood; and that each had in turn been executor of his father's estate, the present disaster being mainly brought about by Mr. Attwood, the elder, and Mr. George Attwood especially, as hereinbefore stated. Mr. Wolverley received with great courtesy and listened to with great patience the views of the committee in a letter, of which the following is a copy, left it with those gentlemen:—

“London, March 21, 1865.

At the first meeting of the committee appointed by the creditors of Attwoods, Spooner, and Marshall, with the view of getting the firm out of bankruptcy and securing as large and as early a dividend as possible for the sufferers, the committee were unanimously of opinion that they could not discharge their responsible and anxious duties to their own consciences or to their constituents without the opportunity of representing to yourself, as an eminent member of the family, the strong moral claim which, as they respectfully request, you have upon your favourable consideration. The statement with which Mr. Henry Marshall made the startling announcement at which has spread panic and, in many cases, probable ruin, in Birmingham and a widespread adjacent district, distinctly and unequivocally insolvency to the withdrawal of very large sums by certain members of the Attwood family—those sums not their own capital, but the property of their richer and poorer customers.

George Attwood upwards of £400,000 were gradually drawn out of the family by Mr. Thomas Attwood £10,000.

The fruits of these proceedings, struggling tradesmen, hard-pressed mechanics, provident farmers, necessitous widows, a long catalogue of distressed institutions, and of societies which attest the poverty of the poor,—to say nothing of sufferers in easier circumstances, but who were for the most part the rewards of laborious industry,—many instances much, in not a few cases, their all.

It is the sanguine hope that an English merchant bearing an honoured name and endowed with wealth will not think our application inequitable. We solicit, in no spirit of dictation, still less of menace, appealing to compassion only, such a contribution towards the relief of the assets as may help to mitigate the loss which presses so heavily upon so very many.

We are well assured that should you allow us to announce to our friends on Thursday next your compliance with our request, your

act will be hailed with grateful acclamation, not only by those who have raised a statue to one bearing the name of Attwood, but by the entire mercantile community, as an act worthy of the name of a British merchant; and if any other reward be wanted, it will be found in the blessings of many an one who is yet anxiously awaiting the issue of this catastrophe as an issue involving the comfort of himself and family.

"I am unwilling to trespass further upon your patience, to anticipate your reluctance by an importunity which I have good reason to believe wholly needless.

"The tone of the proceedings of the meeting on Thursday is of an inconsiderable extent in your hands.

"Believe me, sir, to remain, with much respect,

"Your obedient servant,

"JOHN C. MILLER, D.D.,

"M. Wolverley Attwood, Esq."

"The reply of Mr. Attwood was received by the chairman on Wednesday morning, and is as follows:—

"London, Tuesday

"Rev. Sir,—I have to acknowledge your letter of the 21st inst. to me on that day by yourself, Mr. John Gough, and Mr. Marshall, stating that you came as a deputation from the committee of the creditors of the late firm of Attwoods, Spooner, and Marshall, on this letter, and the explanations given by the deputation, that the main object was to learn whether I would now consent to purchase that portion of the estates belonging to the bank which was then in progress between the late firm and the Joint-Stock Bank, offered to purchase at a price about £20,000 beyond the value of the other object was to inquire whether I would make a contribution towards mitigating the losses which would be felt so severely by many of the smaller creditors, and you particularly called my attention to the fact that I was represented in the letter as a moral claim upon me, on account of my belonging to the Attwood family. I can by no means admit the justice or reasonableness of any such claim on me, entirely unconnected with the fact that I have always been, both with the late firm of Attwoods, Spooner, and Marshall, and the former firm of Attwoods, Spooner, and Marshall, in any question of joint interest was concerned. Mr. Gough mentioned the assistance which I had offered in order to facilitate the negotiations as affording a ground for this appeal to me, but I cannot consider as a sufficient reason for asking me to contribute towards the debts of others with which I have had nothing whatever to do. I was somewhat surprised at such request being made. In regard to that appeal as altogether unfounded, I fully concur. In expressions of sympathy for the sufferers by this disastrous failure. It appears, however, that in the actual position of affairs relating to the sale of the estates can be taken otherwise than by the sale. It may be scarcely necessary for me to add that if they think it necessary, any communication to me it will receive my best attention.

"I am, reverend sir, with much respect,

"Your obedient servant,

"M. WOLVERLEY

"The Rev. Dr. Miller, D.D., Chairman of the Committee of the late firm of Attwoods, Spooner, and Marshall."

tee by public advertisement earnestly pressed upon custom-
 fer their accounts finally to any other bank until it was
 ther or no a purchase could be found among the bankers of
 r committee immediately advertised for tenders from
 re every facility for the necessary inspection of the bank
 representatives of any firm desirous of making a *bonâ fide*
 mittee report that of the tenders received the one which
 ost beneficial to the creditors is from the Birmingham
 ank, Limited. The tender is to purchase the property and
 e bank upon the terms of paying the creditors a dividend
 e pound, and taking upon themselves (the purchasers) all
 es. The committee, with the approval of the assignees,
 commend that this tender be adopted by the creditors, and
 accordingly be passed by the meeting to-day. Further,
 having been informed by the directors of the Joint-Stock
 e event of their offer being approved at the meeting of
 , it is their desire and intention, provided the requisite
 rded by the assignees, to make immediate arrangements
 usiness on the premises of the late bank, the committee,
 th a request they have already made to the customers and
 which has been extensively advertised, deem it a duty
 lace before the customers and depositors the claims of the
 sers of the property and assets of the late bank to their
 sideration in reference to the future. Your committee con-
 ditors on the choice of assignees made before the registrar
 , in accordance with their recommendation, believing, as
 ose gentlemen are well qualified to conduct any negotia-
 e necessary, and that in all respects they will faithfully
 minister their trust as to alleviate to the utmost the effects
 disaster. The proceeding before the registrar on Monday
 n made public; our committee need not lengthen their
 ing them, they simply record that the strongly expressed
 itors that every effort should be made to take the estate
 cy has thus far been complied with, and that the issue of
 gs was entirely satisfactory. Your committee now leave
 our hands with at least this satisfaction, that they have
 in their investigations, and have kept back nothing which
 y to bring before you. The assignees have expressed the
 mmittee may be continued for counsel and co-operation :
 s in the hands of the creditors now assembled.—Signed
 committee,

“JOHN C. MILLER, D.D., Chairman.”

cluded by moving that the report he had just read be
 epted.
 econded the resolution, which was carried unanimously.
 , in rising to move the next resolution, remarked that he
 y words would be necessary from him, because he perceived
 of the meeting that the resolution was one which would
 to the depositors generally. The resolution which he had
 s follows :—

meeting, having heard the report of the committee, is of
 tender of the Birmingham Joint-Stock Bank to purchase the

property and assets of the late bank on the terms of paying of 11s. 3d. in the pound, and to take upon themselves (the costs and expenses, should be accepted by the creditors." (He went on to say that after the able and elaborate statement situation of the bank and its state of hopeless insolvency, they agreed with him in saying that the tender of 11s. 3d. was as much reasonably expected. (Hear, hear.) It was certainly more than he thought he held the same opinion as the mass of creditors and he had no doubt, thankfully accept the offer.

Mr. J. R. Allen seconded the resolution, which was carried and amid applause.

Alderman Turner observed that he had been appointed and it was thought desirable by the committee that one should move the next resolution. He might add that they were unanimously in favour of the resolution, which was as follows:

"That this meeting having been given to understand, from the committee, that the continued assistance of the committee, connecting link between the great body of creditors and the bank, be acceptable to the latter, respectfully requests and empowers the committee to continue in office until they find that their further office would not be productive of good to the estate."

Mr. J. Gough briefly seconded the resolution, which was carried unanimously.

Mr. J. Suckling said he was perfectly gratified that such an offer as that of the Birmingham Joint-Stock Bank had been made; it had not been stated when the dividend was proposed that he would be still more gratified to learn that the whole dividend would be paid at an early period. He begged to inquire if the dividend was proposed to be paid.

Dr. Miller said he was most happy to be able to answer the question as satisfactorily as at present could be done. Of course it was not that the bank had not yet got possession, and before the transaction was completed it was necessary that they should bring the matter before the shareholders, and it was also necessary that the estate should be conveyed to them, when the bargain was ratified. He believed that he was correct in stating that at the earliest moment possible the legal ratification of the bargain would be made; and, further, that no unnecessary delay, so far as the creditors were concerned, would take place. Although he was not connected with the company, he felt bound to say that their offer was a very good one, and he believed they had every right to make it for their own comfort and honour, they would carry out the offer as speedily as possible.

Mr. A. Bird said he had been privately informed with reference to the immature bills of exchange upon which money had not been paid; they would be returned to the creditors. It would be satisfactory for the creditors generally to hear an explanation on the point.

Dr. Miller, in reply, said that he was instructed on the basis of this was a question of law of a somewhat nice kind, and it was desirable to go into legal discussions on that occasion. They had a committee of their own choice, and also able legal advisers, and he would suggest to Mr. Bird that those questions should be left to their hands.

, in proposing a vote of thanks to the mayor for his kind-
ing the chair at their various meetings, mentioned one or two
ers in reference to the part he had taken in these proceed-
-which he spoke in highly complimentary terms of the services
en rendered by the mayor in the matter, and concluded by
ing a vote of thanks to him.

ley briefly seconded the motion, which was carried amid
n. Three hearty cheers were then given for Dr. Miller, at
hich that gentleman said he was glad they could cheer so
ls. 3d. in the pound.

having briefly replied, the proceedings were brought to a

FAILURE OF THE SOUTH HANTS BANKING COMPANY.

noon of the 30th March, it was publicly announced
th Hants Banking Company, whose head offices were at
Gosport, had suspended payment. The title of the estab-
s the Portsmouth, Portsea, Gosport, and South Hants
pany, but as it had no branch at Portsmouth, it was
ly known simply as the South Hants Banking Company.
nd liabilities are estimated at between £170,000 and
nd it is feared that the deficit will be between £60,000
a considerable portion of which is attributed to a bad
about £16,000 said to have been misappropriated by Mr.
of the managing directors. The bank was not under the
bility Act, and the shareholders number about 60, of
siderable portion are said to be wealthy. It was started
issued Bank of England notes, Messrs. Williams, Deacon
g the London agents. The business of the bank has
p by the Provincial Banking Company, and it is believed
ly all the depositors will be paid in full.

of the shareholders of the bank was held on the 4th April,
s Hotel, Portsea, to receive a statement relative to the posi-
-bank.

n Starling Blake, a large shareholder, was voted to the

man entered into a full and lucid explanation respecting his
with the bank, and how the winding-up of the concern was
t. It was proposed to close the bank when it was found that
ely insolvent; but he insisted that Messrs. Williams, Deacon,
uld be consulted, in common courtesy, seeing they were in-
at firm £50,000. The result of that interview was their
He stated that the depositors would receive every halfpenny
y in time, and congratulated the meeting that they were now
s—Messrs. Quilter and Ball being most eminent and hon-

The Provincial Banking Corporation had purchased the
e bank for £1,500, and had not the concern been closed as it

was, double or treble that sum would have been given. That day was to confirm the nomination of Mr. Ball (Quilter's official liquidator). He asked them to avoid litigation, and make the best of a bad job. He would be one of the principal yet he rejoiced that he had the money to pay, and that he would not suffer.

Mr. Hoskins, of Gosport, asked if a statement of the bank was not forthcoming.

Mr. Quilter (of the firm of Quilter, Ball, and Co., accountants in whose hands the matter had been placed) said that they closed on Friday, and on that day they were exceedingly anxious to dispose of the goodwill of the bank in the best possible way, until twelve o'clock that they succeeded in making such an arrangement (with the Provincial Banking Corporation) as might produce £3,000. At the present moment he was not in a position to give a full and complete report on the various matters connected with the bank, but he would, as far as he was able, answer any questions put to him. From the best information that had been given, he was afraid the loss which would have to be made good by the bank would amount to a very considerable sum, but whether it would be £60,000, or even £70,000, he was not at present in a position to say. Much would depend upon the realisation of a very large deposit in the bank, which they hoped might be realised almost in full; or, at least, certainly to the extent of many shillings in the pound.

Mr. Maroin asked what was the amount of that account?

Mr. Quilter said about £40,000.

Mr. S. S. Long—If you are successful in getting in this account, the liabilities of the bank still be £50,000?

Mr. Quilter—Yes; and if not, those liabilities will be increased to something like £20,000. That is the best approximate estimate I can give you.

A Shareholder asked if there had been any auditor appointed?

Mr. Quilter said he understood that there had been. He had seen the balance-sheets from 1861 to 1864, and he did not observe any signature during that period; but up to 1861, the accounts had been regularly audited by Mr. Lacey, of Petersfield.

Mr. Biddle remarked that 12 per cent. was the last dividend paid to shareholders, even though the bank was then hopelessly insolvent.

Mr. White, one of the directors, said that he had done his best to be satisfied that the half-year's earnings warranted them in paying a dividend of 12 per cent.; and £700 had been put aside for bad debts.

From a conversation that ensued, it appeared that the bank had failed when the last issue of new shares took place.

Mr. R. W. Ford, solicitor, inquired whether Mr. Quilter intended to lay before the meeting a statement of the assets and liabilities of the shareholders at the last half-yearly meeting, February last.

Mr. Quilter said he had seen a paper which he supposed to be, a copy of the balance-sheet submitted to that meeting. He was sorry to say there were names entered as being indebted to the bank, and certain fictitious debits had been placed there—(cries of "No!") that he believed that this balance-sheet did not speak the truth.

The Chairman, in a short speech, vindicated the conduct of Mr. Smithers, and Mr. Loney, who were directors, and who

of the affairs of the bank as he himself was, the managing Mr. Reeves and Mr. White; but with regard to the man thought that if he had sinned at all he had sinned

Gosport, a director, said he had a copy of the balance-sheet meeting in February last, from which it appeared that £724. 14s. 8d. He had no more power to look at the gentlemen who had overdrawn than any shareholder, nor know of the extraordinary overdraw until Christmas, and that there were not less than £15,000 of notes and at the time of the failure of Roy, Spencer and Co. Mr. (or, since dead) induced those gentlemen to draw cross but those bills were never properly dated, and they were cancelled and locked up, and were now lost by the statute of

remarked that they had been entered as assets, asked as to the amount of Mr. Reeves' deficiency.

and there was some difficulty in extracting the truth from (A laugh.) They had put him into the crucible on several best information they could get from him was that he had no bank money, but "he (Mr. Reeves) was bound to say down to any director except himself." They had succeeded, getting from him some securities, which would diminish the loss, although he believed that the loss sustained through the amount to £14,000. (Expressions of surprise.)

He remarked that he knew nothing of the matter until the previous day. It did not appear in Mr. Reeves' current account, or he would have known it. He was petrified when he heard of it.

He said there appeared to have been an account book kept by the bank, who was never able to understand it. He could not get the accounts tally, and after being there a few years he began to think something was wrong. He was told to do things in this and he did so; but "when I got married (said the man) I began to care for my family and character more than before, and I began to care for my character was tarnished. I knew that there were things wrong, but I had no power to interfere." He (the chairman) asked, "you allow this thing to go on?" He replied that the books were by Mr. White, and those books were so kept that nobody could get at them but Mr. Reeves.

London, solicitor to the Provincial Banking Corporation, asked the shareholders as to the nature of their liability,

Gosport, moved—"That it is desirable that the provisional liquidator should be appointed the official liquidator of the

as agreed to, although Mr. Quilter explained that the appointment of such an officer was in the hands of Vice-Chancellor of the Court, would, however, no doubt, give effect to the recom-

business having been disposed of, the proceedings closed.

THE UNITY BANK FRAUDS.

At the Central Criminal Court, on the 17th April, Mr. J. Terry, the late manager of the Unity Joint-Stock Bank, Burch, the secretary of that association, surrendered to before Mr. Justice Smith, upon a charge of having unlawfully made a certain false balance-sheet of the affairs of the Unity Bank, with intent to deceive the shareholders and the public. The trial lasted four days.

Mr. Giffard, Q.C. (specially retained), Mr. F. H. Montague Williams conducted the prosecution; Serjeant Giffard, specially retained, with Mr. Sleight and Mr. Nicholson, to defend the defendants, and Serjeant Ballantine, also specially retained, and Mr. Giffard, Q.C. for the other defendant, Burch.

Serjeant Parry, when the defendants were called upon to plead, made a technical objection, which was overruled.

The defendants, by the advice of their counsel, refused to plead, and under the statute, a plea of not guilty was entered for them, and the trial proceeded.

Mr. Giffard, Q.C., said the investigation on which the charge was founded to enter was one of considerable public importance. Strictly speaking, the charge in substance amounted to this—the defendants were guilty of fraudulently manufacturing a balance-sheet purported to represent the affairs of the bank of which they were to be in a prosperous condition, whereas, in fact, the bank was at the time hopelessly insolvent, and the defendants knew it. The growth of joint-stock undertakings toward public companies and joint-stock undertakings of late years taken had rendered private enterprise more difficult, and the association of capital and labour, which was a feature of the time, made the conduct of banking associations and other joint-stock companies a subject of great public interest. In proportion, however, as the number of such undertakings increased in number and importance, so in proportion would expect to find that frauds which could but arise in the management of private capital would be likely to arise out of those of joint-stock companies, and it was of great importance that the persons who were induced to invest their money in them should be able to rely on the integrity of those charged with the conduct of such associations. Where the persons intrusted with the management of such undertakings failed through misfortune, an ordinary civil remedy might be obtained; but if it should be found that the persons so intrusted were guilty of a fraudulent attempt to conceal the truth, and to carry on an undertaking which they knew to be hopelessly insolvent, it would constitute a monstrous fraud upon the public. That was the case against the prisoners. The Unity Bank was incorporated on the 1st of January, 1856. Its staff at least was appointed at that time, with reference to the grant of a charter, it was not until the 1st of May in that year that the bank commenced business. At that time a manager, but no person filling exactly the position of secretary, was appointed by the prisoner Burch. The manager at that time was Mr. Terry, and for some time the affairs of the bank were conducted in a very unsatisfactory way. Large debts were incurred, and the returns were not satisfactory, and in so serious a state

the bank, think its affairs to be that, on the 26th of August, a letter pointing out its condition, and the necessity for the management, to save it from failure. That letter, Mr. Alderman Mechi, the chairman of the bank, was as

Sir,—Since our last court-day I have taken into consideration the Unity Bank, and my own responsibilities and duties in rewith. After what has passed, and the small share of support from the chair, I do not feel personally inclined, nor do I imagine that would arise from my again attending the court may imperatively require me. I desire, however, to put on my views as to our present position, and as to the course to be pursued. You are aware that I have for some time past position of the bank with apprehension. That apprehension has been increased by the recent revelations. The committee by its instance has brought to light larger losses and a far more want of management than we were, any of us, previously aware of. It has also elicited facts connected with our losses, of a very serious character. I have ventured to submit to your colleagues what appears to me to be our only remedy. But my colleagues generally concurring with me as to the seriousness of the transactions, I do not find them prepared to take the only course as it seems to me, the property is likely to be saved from such circumstances the grave question which I have to consider, that course of proceeding I can divest myself of any portion of responsibility which devolves upon me, and how far I can do my duty, not only to those who at my instance have invested money in the bank, but to all proprietors at large who have placed their confidence as a director. There is no ordinary emergency until the month of January. The circumstances, however serious that I think it ought to be deliberately considered, I do not await that period, or give the proprietary an opportunity of considering the position of the bank. In the balance-sheet of the 31st of April, 1857, our losses were stated to have been £1,100. According to the statement at the court in July, they are now upwards of £10,000, and nearly £9,000 in three months. The customers' deposits have not increased; at the present time they would be less than at the same time last year, since had not several thousand pounds been paid in on the call of the Unity Fire Company. Our paid-up capital has been so dealt with that we have no more than £15,000—of the whole—available at the present time for banking purposes, of the value of £50 each, are at the present time not in the share market. Without reference to the many other grave facts which are known to us, it appears to me that the foretold calamities alone are sufficient to indicate the propriety of calling the proprietors together. I accordingly request that you will have the honour to submit this communication to the court, and take its decision as to the propriety of calling a special meeting of the proprietors to consider the position of the bank. In the event of any such meeting being prepared to state unreservedly my views of the present position of the property, and at the same time to resign my seat as a director, in the contrary event, I shall, at any rate, feel that I have done my duty, and on record my protest against the present system of management, and my opinion as to the course which ought to be taken in justice to the shareholders."

Burch was afterwards appointed as a kind of agent of the directors, and he acted as a check on the manager. Mr. Eyre was, besides, very satisfied with the then manager, Mr. Chambers, and the late manager, Mr. Terry, who was appointed in his stead, afterwards performed the duties of manager, and Burch those of secretary. So the bank went on, and yearly balance-sheets were prepared from time to time. But losses had been incurred, and those were explained to the shareholders at a general meeting; £38,000 appeared as a loss arising from various transactions, and in 1860 it was considered that they should write off that sum as lost and irrecoverable capital. The directors were entirely of that opinion, and from that time that £38,000 was out of the accounts. That sum up to that time appeared in the balance-sheet as a bad debt. On the 30th of June, 1862, a balance-sheet was prepared, though not circulated until September, and that balance-sheet formed the subject of the present inquiry, and was as follows:—

*Balance-sheet of the Unity Joint-Stock Mutual Banking Association,
June 30, 1862.*

Dr.

Capital account	...	...	...	...	...	...	...
Amount due on current and other accounts	...	...	...	...	...	...	...
Balance of interest account, after payment of interest to customers	...	...	...	...	£3,937	16	0
Balance of profit and loss account, as per last report	...	...	£4,079	15	6		
Less dividend of 12s. 6d. per share paid last half-year	...	...	1,824	7	6		
						2,255	8 0

Cr.

Preliminary expenses, as per last report	...	...	...	...	...	...	...
Investments in bank premises, including the Brighton freehold	...	...	...	...	...	...	...
Current expenses from 31st of December, 1861, to 30th of June, 1862	...	...	...	...	...	...	...
Bills discounted, loans to customers, &c.	...	...	...	...	...	...	...
Cash in hand	...	...	...	...	...	...	...

The original capital of the bank was £300,000, of which £179,195 had been subscribed. There had been some further calls, and of which he was now speaking £179,195 had been paid up. In the balance-sheet which would be the principal subject of the inquiry, were the "amount due on current and other accounts," "bills discounted, loans to customers, &c., £207,668;" and "profit, £38,715." A profit of £959 during the period to which the balance-sheet related was shown, but that did not appear on the balance-sheet, and those four matters constituted the charges in respect of which an indictment had been preferred against the prisoners. The inquiry had to say whether the three items to which he had just

use to the knowledge of the prisoners. The balance-sheet was that of June, 1862. In October, 1863, the business of the bank was transferred to the London and Middlesex Banking Company. So it went on, until it was discovered on investigation that so far from the balance-sheet representing the true state of the bank, upwards of £159,392, was in fact the amount due on current and outstanding bills. The indebtedness of the bank was misrepresented to the directors. The cash in hand, which was put down at £38,715, was only £29,000 odd; and, what was the most serious representation, the amount of bills discounted, loans to customers, &c, which constituted the floating capital of the bank, and which was put down at £16,000, was, in fact, only about £16,000. That £16,000, in truth, was only available assets of the bank; the £207,668 was made up of bills to a considerable extent of bills dishonoured in 1860 and 1861, and in some of which the persons giving them had afterwards become bankrupt, and others had been prosecuted for forging the very bills they had given, and so far from the bank making a profit from its trading, it had from its commencement steadily lost out of its capital. In one case, where a man named Frasi was convicted in 1861 for forging bills which the bank afterwards discounted believing them genuine, the prisoner Terry actually gave evidence on the trial, that a debt of nearly £1,600, or the amount of which the bank had been defrauded by the forgery of Frasi, was actually entered as a debt in the books of the bank, and formed part of the £207,668. Again, a man named Ward executed an assignment to his creditors. He had at that time in the bank between £5,000 and £6,000 of dishonoured bills, most of which had been dishonoured in 1861. On the 31st of December, 1861, Terry, without the knowledge or authority of the directors, released the man on the part of the bank. Of that release there was no entry in the books of the bank. On the very day on which that man executed a loan for £966 was granted to Bunyard by the bank, a promissory note in the handwriting of Burch was given. Of that there was no entry in the books of the bank, nor of £735 which Bunyard had in the previous October. The learned counsel pointed out to various other parties who had accounts at the bank, the bills by whom were hopelessly irrecoverable, and yet these were carried to the good assets of the establishment. In transferring the amount of £73 from the head office to the west-end branch, a sum of £73 either stolen or lost, and yet this £73 figured in the good assets. In point of fact the item of £207,000 set down in the balance-sheet of the 30th of June, 1862, under the head of "Bills discounted to customers, &c." was the most illusory thing in the history of the bank. If the truth were told it ought to have been inserted in the bad assets. The *et cetera* placed after it failed to alter its aspect, for it did all doubt an absolutely false entry. On one occasion there was a sum of £50 gone out of the till, and that also figured in the same way in every part of the balance-sheet there was falsehood—falsehood to be well calculated to deceive the shareholders. Who was to be responsible for it? If it were true that the directors were parties to it, there would be no answer for the defendants. If the defendants said, "We will prosecute the directors, and not us?" that would be no answer to their own fraud. Then, if it was said that if the directors were accomplices they were grossly negligent, with what face could his accusers have the effrontery to state that their clients were rogues

and the directors fools, or the latter would have found this. Such reasoning as this would be no reply whatever to the proceedings which were criminal. The real question for the jury was this—who were the persons guilty of dishonesty? And here, asked, what motive could the defendants have to commit this? This, however, was not a cogent inquiry, for, if the fact were that they committed it, it was not material to find out the motive, there no motive? Mr. Chambers had been compelled to resign, as the bank was not progressing satisfactorily. Terry, having the highest character, came in as manager in his room, and in time, with the assurance, that he would relieve the concern from the elements which had clouded its career from its earliest date. His motive, then, of maintaining the bank, and of securing to himself the continuance of his position. He was selected for that position from a number of candidates, and he had exhibited the utmost anxiety for the appointment. Besides, it was a well-known fact that the bank possessed great facilities for obtaining money over its salary. Terry had constantly been in the habit of advancing to people who were hopelessly insolvent, and some of the money was made without the knowledge of the directors—a fact which itself afforded somewhat of a reasonable surmise of the advantage which he reaped from the situation. So far as Mr. Alderman Mechi was concerned, he had been a loser by the bank to the large amount of £18,000, and he remained firmly by the establishment from first to last. The same applied more or less to Mr. Eyre and all the other directors—they had been heavy losers. It was not a cardinal point to inquire whether the directors had not found out the fraud which was being committed, it was not unimportant to remember that Mr. Eyre had recommended some agent should be appointed to act as a check upon the manager, who was appointed as that agent, and at that time he also bore a good character. It was explained to him then that he was to have to watch Terry, and now the charge against him was, that instead of watching Terry he had lulled the directors into security by leading them to believe that he was doing so, when in point of fact he was fraudulent. It was matters to go on without exercising any check or making any inquiry. If this were so, and if Burch knew what Terry was doing, then both were guilty of conspiring together to commit the fraud. When asked before the committee of liquidators whether the book-keeping accounts was done with the knowledge or by the connivance of the directors, they distinctly stated that it was not. The learned counsel said, saying that the questions for the jury to determine were most material, those questions being, whether a balance-sheet could be produced by the shareholders with the intention wilfully to deceive them, the directors having no means of investigating the truth or falsehood of it, and whether this mode of fraud was to be submitted to with impunity in a commercial city like the metropolis.

Mr. Oswald Thomas Howell was called and examined by the learned counsel for the prosecution. He said he was a partner in the firm of Walker and Lewis. He produced the books and referred to the various items of the balance-sheet by the learned counsel for the prosecution. His evidence was purely of a technical character, and it will be unnecessary to go into detail. The effect of it was to show that some of the bills of exchange on the balance-sheet to represent assets were utterly worthless, that

alised by the bank, and that in one or two cases where bills that counted turned out to be forgeries, and the parties to them executed, these bills were still brought forward, and appeared in sheet that was the subject of inquiry as assets of the bank; the guilty knowledge of the defendants, it was proved that entries in the books of the bank relating to these instruments handwriting of one or other of the defendants. It may be the final result of the transactions of this unfortunate bank be that about £170,000 was called up out of a nominal capital and that the whole of this amount was lost with the exception per share, the amount paid by the shareholders being £60 per witness, in the course of his evidence, produced two balance-manuscript, which he stated were in the handwriting of the defend- One of the manuscripts was an exact copy of the balance- above, and the other gave the same totals, but set forth the and the items by which these totals were made, and it mentioned bills and loans, which did not appear in the condensed balance- said the past-due bills did not appear in the balance-sheets 1862. Witness also produced a balance-sheet of the west- the bank, in which there was an item of £7,900 as past-due 201 as loans to customers, both of which were included in the general balance-sheet of £207,000. In addition to this d in the western branch accounts an entry of £50, being a and there also appeared to have been a remittance lost in its r, after recovering several of the cheques, left a loss of £73 s entered in the books, and that those amounts, the witness d included in the £207,000 in June, 1862. Witness produced a lls dishonoured prior to the 30th of June, 1862, and dis- s to the amount of £50,000, which he stated were included ssets.

was further examined and cross-examined at very great egard to the various items mentioned in the learned counsel's also as to the state of the overdrawn accounts of various d the result showed that gross mismanagement was the of the whole affair.

ination, the witness said he only knew what books were kept from inquiries he had made. Terry continued manager of nd Middlesex Bank as long as it lasted.

Judge asked what had become of the London and Middlesex

s said it was being wound up.

Allantine objected to any evidence being given in connection adon and Middlesex Bank. If it was at all material, they tion to show how the bank became knocked up. Alderman e of the directors.

Smith said he thought they had quite enough to do to the affairs of the Unity without discussing those of the Middlesex. The word "sundries" referred to dishonoured y could not have been ascertained without examination. One was cash £4,414. It would take a long time to count that signs.

: Much longer than it would take to get rid of it, I am ough.)

Mechi was then called as a witness. He said: I was governor

of the Unity Bank from 1856. I remember the defendant bank. Mr. Terry came in as the chief accountant, and cashier, and Mr. Chambers was manager. I knew nothing they entered the bank. We took them as being the best of a hundred and fifty candidates. When Mr. Chambers and I had a conversation with Mr. Terry about becoming the recommended him for the appointment, believing him to be able. At this time the bank had sustained a variety of losses, and was unable to pay its depositors. It was not in a position to pay through the losses that had been sustained under the management of Mr. Chambers. According to the practice the secretary was at the board meetings. I had given directions to both the secretary and the board reference to the preparation of the balance-sheets. I required them to make a true and faithful report of the state of affairs of the bank, the duty of the manager and the secretary to prepare the balance-sheets from the books, which the directors never interfered with. When the balance-sheets were made out they were presented to the board, and the directors made no alteration in them, or interfered with them in any manner. They ordered them to be printed. The directors examined them, and ordered them to be printed. We took no steps to verify the balance-sheets, but relied entirely on the manager and the secretary and the board. The whole of the books were submitted to the auditors prior to the balance-sheet coming to the directors. As a fact, we never tested the balance-sheets in any way by the books. We relied upon the auditors, who were paid by the shareholders, and it was their business to verify the balance-sheets. The whole of the books were placed at their entire disposal, and the directors did not interfere with them in any way. They considered the auditors represented the shareholders, and the shareholders themselves. One of the auditors, Mr. Gould, was a merchant, and the other, Mr. Hopwood, was an accountant. They were paid, I think, five and twenty guineas each for auditing the balance-sheets. We, of course, relied upon them to see that the balance-sheets were correct.

Mr. Justice Smith observed that it was rather remarkable in the circumstances, that the alleged fraud was not discovered.

Mr. Giffard—Our case is that the auditors were deceived.

The learned Judge intimated his opinion that upon the facts of the case the jury could hardly be expected to convict the defendant, who was charged with publishing a false balance-sheet with intent to defraud. It was clear that the auditors' duty was to have detected a balance-sheet irregular, and that they had every facility for so doing, and that the books and papers were within their control.

Mr. Giffard said he felt the force of his Lordship's observation. If, on the part of the Crown, he should readily attend to any instructions, he would make as to the course he thought should be taken.

Mr. Justice Smith said he should not withdraw the case from the jury, but it appeared to him that at all events the auditors ought to have given some explanation.

Mr. Giffard said that one of these gentlemen was dead, and the other was in this dilemma, that he must either have been deceived or acted fraudulently.

The learned Judge said that it was a question for the jury to decide whether they would state whether they desired the case to proceed.

The Jury accordingly conferred together for a short time, and then they were divided in opinion.

Judge said that if they pleased the case should go on, but to him that unless the auditors were examined and gave some evidence they could hardly convict the defendants of having conspired to deceive the public. If they had, they must have intended to deceive the auditors as well. It might have been a very improper proceeding to make up such a balance-sheet, but it appeared that ever since the bank had been established the balance-sheets had been made up in the same manner according to the evidence the irregularity might easily have been detected. His Lordship added "that the saddle ought to be put upon the auditors."

When again conferred together for a short time, when they said they were still divided in opinion.

His Lordship upon this said they had better hear the case out.

Alderman Mechi was further examined at considerable length with reference to the various accounts. He admitted that he had lost £18,000 by the bank's losses were £3,000 a year.

On examination, the Alderman said—

"In business you must rely upon your confidential servants. We have some clerks ourselves. I told the shareholders that I had some books, and I considered that I had by the reports of the officers; but perhaps I ought to have said that I had looked into the accounts. We were informed every week of all the applications made for discount, the amount of the discount, the amount of the interest, and, as we considered, everything connected with the business of the bank. Mr. Bazin, my partner, had a private account with the bank. He may have used that account for my own private purposes. It was not a portion of the money was drawn from the west-end branch in Mr. Bazin's account to be paid in to the principal branch, to make it look as if it had a respectable balance. The same thing may have been done by Mr. Bazin, so as to make both accounts look respectable. My partner admitted all this, and although I did not sanction the proceeding, I did not object to it."

His Lordship—Then the result was that you would both appear to be in a balance, when, in point of fact, both your accounts would be overdrawn.

Alderman Mechi—It would make the accounts look a little better.

His Lordship—Was it not for the purpose of falsely representing the bank to be in a balance, when, in point of fact, you were overdrawn?

Alderman Mechi—It had that effect. It was a very innocent transaction. On examination Alderman Mechi said that the directors could not do anything at all if they had not examined the particulars contained in the accounts. It was the only means they had of ascertaining the position of the bank.

They, of course, relied upon their officers reading the items. The directors were generally occupied from two to four hours every day. The directors would not in any way interfere with the auditors, and stated them to be correct, they would be at once issued to the shareholders.

He made a good many speeches to the shareholders, and at last made them believe that everything he said was true.

In answer to questions put by the jury, Alderman Mechi said that he had the best idea that the item of £207,688 comprised forged and disallowed bills.

Mr. Eyre, another of the directors, a partner in the firm of Eyre and Co., solicitors, of John Street, Bedford Row, deposed that he was present from the commencement of the bank. After Mr. Terry was

appointed manager of the bank witness had some conversations relating to his duties, and Mr. Terry pointed out an irregularity which had been committed by Mr. Chambers in placing a loan of £1,000, named Gregory in the cash article book, when that person was not of the country. Some time after he wrote the letter that had been referred to, he took his seat at the board again. He remembered the item in question, and he was not aware that the item of £207,000 was for overdue bills, forgeries, and bills that were of no value. On the 9th of March, he considered that it truly represented the value of the assets of the bank. Witness was present from time to time when the cash account was read out by Mr. Burch, but he was certain that it was not correct, and then stood, and that a great deal must have been omitted, and that was occupied in reading it. The witness then expressed his opinion that none of the names that had been referred to were correct, or any reference made to the condition of their accounts. He said he remembered being present on the 9th of March, when the defendant Burch was asked for some explanation of the names of the names and Lowenthal appearing in the list of debtors to the bank, and that he should prefer that Mr. Terry should answer the question. He was sent for, and stated that the debts had not been named to him, but he had been working Lowenthal's account with the London and Lancashire Bank, and was to reduce the debt at the Unity. The witness was not aware that he knew nothing of the composition deed in Bunyard, and that the defendant Terry had signed it on behalf of the bank. He said Mr. Terry had acted with reference to other creditors in the same way, without the knowledge of the directors. The witness was then asked at considerable length upon other matters, the effect of his testimony was to show that he was ignorant of the transactions referred to, and that the sheet that was the subject of inquiry, and he also stated that it was published he believed the balance-sheet to be a true and correct statement of the affairs of the bank. Witness had some loans from the bank on his own account, but the principal one was a loan of £1,000. The witness's firm with the bank was over £100,000 a year, and he had a large balance. He could have obtained the accommodation required at other banks on better terms than he obtained it, and the bank had ample security for all the money that was lent to him.

By Serjeant Parry—Witness was aware that the item of £207,000 represented the past due and dishonoured bills.

Serjeant Parry—And with that knowledge you still issued the balance-sheet to the shareholders.

The witness, in answer to further questions by Mr. Serjeant Parry, he would not deny that he had told Mr. Chambers, the fact that he expected a bonus of £1,000 as a promoter of the Unity Bank.

Serjeant Parry—What earthly ground had you for asking the shareholders of this bank for £1,000?

Witness—We had paid down £1,000 to start the bank, and if it had been prosperous we considered we were entitled to it. I did not want anything in the shape of bonus.

Four of the other directors having been examined,

This closed the case for the prosecution.

Mr. Serjeant Parry and Mr. Serjeant Ballantine then addressed the jury on behalf of their respective clients, and contended that the defendants had failed to substantiate the offence with which they were charged.

A number of gentlemen were then called to speak to the

and it was proved that Mr. Terry had been for a great time the bank of Jones, Lloyd and Co., and left with high testimony to the Unity. Mr. Burch, it appeared, had also previously been the London and Westminster Bank, and left that establishment with high character.

The learned judge then proceeded to sum up the case to the jury, and, on the charge, he said that they must remember that the defendants were jointly charged with conspiring, and that they must convict both, and that fraud was the very essence of the offence, and that if it was not established, the defendants ought to be acquitted. They must be satisfied that the defendants conspired to falsify this balance-sheet—that it was a false balance-sheet, and that the intention of the defendants was to defraud; and if either of these things was not established the defendants were entitled to an acquittal. He then proceeded to give a short outline of the circumstances connected with the management of the bank, and he said it was clear that at the time the defendants entered the service of the bank a very considerable sum of money had been lost, and he thought it was a very important fact that the balance-sheet had been made to have always been kept in the manner they appeared in the balance-sheet. It was obvious, as it appeared to him, that overdue bills had been put in, that there were of no value whatever, ought not to have appeared on the balance-sheet as available assets; and almost the only satisfactory circumstance that appeared to be that the depositors of the bank had not lost the whole of their money; and it was due to the defendants that the balance-sheet appeared to have entered all the accounts correctly. It appeared that all the directors had borrowed large sums of money from the bank, and that the bank was obliged to re-discount bills at a higher interest than they received from the directors, and that the directors, as it appeared to him, were also entitled to a share of the profits of the bank, as it appeared to him, were also entitled to a share of the profits of the bank. His observation—that they did not appear to have obtained any advantage by the publication of this balance-sheet, and, that there was undoubtedly no answer to a criminal charge like the charge against the defendants, was a fact that was well worthy of consideration by the jury. It appeared also that the object of this balance-sheet was to make the bank appear able to pay a large dividend, or anything of that kind, and that at the time it was made the bank was about to be amalgamated with the London and Middlesex Bank, and therefore there was no such thing as a dividend as he had referred to. The learned judge then repeated the fact that the whole of the accounts appeared to have been examined by the auditors, who could easily have detected the mis-statement made in the balance-sheet, and, he said, it appeared to him that the conduct of these gentlemen was very important upon the question of the charge, and who was to be held responsible for the publication of the balance-sheet, and whether the defendants when they prepared the balance-sheet intended to deceive. The learned judge then referred to the evidence, and expressed his opinion that the manner in which this balance-sheet was made out was a most improper and vicious one; but this was not a charge against Mr. Terry, because it seemed to be admitted that the balance-sheet was adopted from the time of Mr. Chambers, the former manager of the bank, and the directors were also well aware of it, and it would be wrong to make him criminally responsible for having conspired in the system. The learned judge next proceeded to state that he must remember that they were not trying either of the defendants for having acted imprudently, but that the question was whether the

evidence satisfied them that they had wilfully published sheet with an intention to defraud. Was the act complained of by Mr. Terry, or was it merely part of a system? And it appeared to him, was very material when they considered the intent of Mr. Terry when he prepared this balance-sheet, then proceeded to state that it appeared to him to be a most important thing that none of the directors appeared to have made any use of so vital an ingredient in connection with the bank as the verification of the past-due bills, or with reference to the statements made to them weekly of the condition of the establishment and the debts due to them. It was admitted that they were aware of the bills, good, bad and indifferent, forgeries and all, were covered up in the statement, and this being so, how could it be said that they were acting criminally in making an account which, after all, was not the account of the directors? The directors, undoubtedly, had formed the balance-sheet, and it was their interest to give as good an account as they were able, but the mouths of the defendants were closed, and had no opportunity to give any explanation. The learned judge said that it appeared to him that there was no evidence that the defendant Burch had anything to do with the preparation of the balance-sheet, and that it was clear that he was a subordinate officer and was bound to obey his directions. The learned judge said he believed he had directed the attention of the jury to the important points of the case, and he should now leave the case to the hands of the jury.

The jury retired at ten minutes past two o'clock to deliberate, and at ten minutes past three they returned into court, and the following verdict:—

"We acquit the defendants of conspiracy, but at the same time we express our opinion that the accounts of the bank were kept on a vicious principle, and in our opinion the directors ought to have investigated the accounts, and particularly the weekly statements, which were submitted to them."

Mr. Sleight asked what was proposed to be done with the twenty-three counts of the indictment, which applied to Mr. Terry only.

Mr. M. Williams said that after the full inquiry that had been made, he should, in the absence of his learned leader, take upon himself to say that there was any evidence in support of the other counts in the indictment.

A verdict of Not Guilty was accordingly formally taken on the other counts, and the defendants were at once discharged.

Legal Miscellany.

THE LONDON AND EASTERN BANKING CORPORATION.—IN THE COURT OF COMMONS.
W. PETRIE WAUGH.

THIS long-litigated case was again brought before Mr. Justice Goulburn, in the Court of Bankruptcy, on the 29th March 1884.

It was the sitting for certificate in the case of the well-known William Petrie Waugh, whose failure some eight years ago created a sensation in those comparatively tranquil times, his liabilities

a quarter of a million. Since his surrender last year the repeatedly before the court; and it now came forward as the last time. The interest originally felt in the case on the wane, the more so since the announcement at that it was not the intention either of the assignees or of the London and Eastern Banking Corporation to petition to the bankrupt having his certificate (the bankruptcy old act).

appeared for the assignees, and Mr. Sargood for the

said he had a great difficulty in this case. How was he to man who had absconded from the adjudication and stayed s had fully conformed to the law of bankruptcy?

said he would briefly call the attention of the court to the errating the circumstances under which the bankruptcy suggested that, as the court had allowed the bankrupt to d given him a *locus standi* to ask for his certificate. The elined to prosecute him at the expense of the estate, the tern Bank being the parties most affected by his defalcadebts on the balance-sheet were £318,000; the assets given nd the property held as security, valued at £85,000, had y the secured creditors; for Branksea Island, valued by at one time at a million of money, had produced less than the first mortgage upon it, £30,000. His furniture at l and Hyde Park, which was said to have cost £39,000, articles of *virtu*, had only realised £8,000. His personal r four and a half years had been at the rate of £10,000 a ot surprising that the London and Eastern Bank had not proceedings against the bankrupt, for the way in which en conducted would naturally prevent them from doing so. £217,000 against the bankrupt had been compromised for the question now was, how the case should be dealt

said he was always of opinion that the bankrupt had been with in being imprisoned for twelve months on a demand worth the paper it was written on. An imprisonment of was the limit of punishment under the Act of 1861.

r said that, coinciding in the view of the court, the ot offer any opposition. He was informed by Mr. Lewis, d the liquidators of the Eastern Bank, that it was not to offer any opposition.

tioner: Does any other creditor oppose?

ered.

tioner: Then let him take his certificate. So ended the of Colonel Waugh.

that there was £5,000 in hand applicable to dividend on £150,000.

DULENT REPRESENTATION.—THE BIRMINGHAM AND SOUTH ORDSHIRE BANKING COMPANY.—GRAY v. COLLINS.

ried before the Lord Chief Baron and a special jury, at the s, on the 3rd April.

It was an action against a director of a joint-stock bank for false representations, by which the plaintiff complained that he was induced to purchase shares in a losing concern. The defendant that "the defendant was a director of the Birmingham and South Staffordshire Banking Company, and falsely and fraudulently represented to the plaintiff that the company was in a flourishing and prosperous state, and that the shares were a good and profitable investment, whereas in fact the company was not in a flourishing and prosperous state, and the shares were not a good or profitable investment, but the shares as were for sale belonged to the defendant, by means of the false representations the plaintiff was induced to and did purchase shares in the company, and so became liable to pay large sums of money, and lost the same," &c. The defendant pleaded "Not Guilty."

Mr. Lush, Q.C., Mr. C. Pollock, the Hon. A. Thesiger, and Mr. B. Williams were for the plaintiff; Mr. Bovill, Q.C., Mr. Hawkins, Q.C., and Mr. J. F. Stephen were for the defendant.

The material facts of the case, as they appeared in evidence, were as follows:—The company was formed in 1862, and among its directors were Sir Edwin Pearson, Mr. John Bethell, &c. The defendant was a director of the London Bank of Scotland, was not engaged in the management of the company, but had been associated with the plaintiff in some of its transactions. The capital of the company now in question was £1,000,000, divided into shares of £100, of which the first issue was 5,000. Of this first issue, in 1862, about 780 shares remained untaken, and on the 5th of April 1862, in consequence of some arrangement entered into between the defendant and the other directors, he became a director. On the 5th of April a meeting of the directors was held, at which a proposition was made on the part of the defendant that the 782 shares should be allotted to him, and that he should become a director, and that 2,000 out of the 5,000 shares of the first issue should also be allotted to him; and this proposal was carried, and resolutions were passed that he be elected a director, and that the remaining shares of the first issue of 5,000 shares—that is, the 2,220 shares—should forthwith be allotted to Mr. Collins, the defendant, or his nominee, on the subject to a commission of 2 per cent., and that the second issue of shares be made, and offered rateably to the shareholders at the time £22 a share on the shares allotted had been paid up. £80,000 of the capital was thus paid up. But, in point of fact, on the 5th of April the shares were at a discount of 2 per cent. On the 5th and 12th of April the defendant bought about 750 shares of the first fifty at par, the rest at premiums of from £1 to £2. On the 14th of April the defendant, who had become a director, conversed with the plaintiff in connection with some other company, and the plaintiff in these terms:—"I had thought of directing you to buy the London Bank of Scotland shares, knowing that they would improve, but I neglected doing so, and they have gone beyond £12 a share within the month. I promised to let you have any expected investments, but they have gone too fast for me. There are two matters on which I believe money will be made. One is the London and Birmingham and South Staffordshire Banking Company. If you buy in it you must take up, and it will pay you to hold it. It does not, however, promise quite as well as the London Bank of Scotland. The other I shall be able to mention in a few days. I want my friends to be in the 'good things' with myself, and I will give

of my friends have cleared £15,000 in the London Bank the last account." Upon this the plaintiff made application and accordingly obtained them at a premium—100 at a and 50 at 6½. It appeared that the defendant, who was a London Bank of Scotland, became a director of the Birmingham and South Staffordshire Bank, with a view to their amalgamation. Pearson said it was with that view he assented to the purchase of the shares, and that the shares about the 11th of April were at a premium, and he had bought some at £4 premium, of course at that time a favourable opinion of the company, and they were likely to rise higher in the market. It was also said by Sir Edwin that "during the whole of April, 1864, the company was in a flourishing and prosperous condition, and that on the purchase of shares would have been, in his judgment, a profitable investment." (A question which was objected to, and was ruled against the defendant.) And Sir Edwin Pearson declared his opinion on the 14th of April. He further stated that it was highly probable that the shares would continue to rise, and that it would have been prudent and profitable to hold them. It was further elicited on re-examination that the shares of the defendant came in, and Sir Edwin being asked if he bought to reserve that he meant to reserve the right to part with them did not care to hold." The only want, Sir Edwin Pearson said, was of capital." There were proposals by the banking company for amalgamation, and the directors were anxious for amalgamation. 782 shares allotted to the defendant were, in fact, allotted to him, and were all allotted in April, and they were all paid in 2,000 shares of the next issue, and then the defendant was asked to give a share commission, which came to above £5,500 upon the shares. However, that on the 2,000 shares of the second issue was paid by the defendant on the 10th of May, and he still held a share in them. He had paid all that had been called up on those shares, and thus paid £6,000 upon them. The secretary stated that in April he had given the defendant private intimation that of amalgamation, and he, in the full belief that this was the price of the shares, offered to purchase those of the witness at £7 per share. The highest price which the shares had reached in the 18th of April, after which they declined to rise. On the 5th and the 25th of April the defendant sold nearly the same quantity of shares as follows:—On the 5th of April (the day he entered the bank), at £20, i.e. (as £22 were paid up), at a discount of £2 per share; 11th, 50, at a premium of £2 per share; 100 at 2½; 2½; 30, at 2; and 50, at 2½; and 100 (for the 14th April), at 2½; 29th of April, at 2½, and 50, at 2½. On the 12th of April, 100 at 3½, and 50, at 2½. On the 18th, 200, at 5½, 6, 6½, 25th, 40, at 5½, and 100, at 5½. On that day, the 25th, the broker wrote to him in these terms:—"I have sold on the shares in the Birmingham and South Staffordshire Banking Company, and am sorry that I cannot do anything more." Thus, from the 18th day on which the defendant entered the bank, to the 25th of April, he sold 782 shares of the first issue allotted to him, and some 200 of the others. Some of the shares of the defendant were among those purchased by the plaintiff at a premium of 100 per cent. On the other hand, between the 10th and the

29th of April the defendant had purchased about 700 shares—that is, of the old shares of the first issue. The second issue was not made until the 19th of April. On the 14th, it will be observed, the defendant had written to the plaintiff, as above stated. Almost immediately after the plaintiff's purchase of the shares he found that they began to fall, and they fell gradually to discount. Towards the end of April the defendant wrote to the plaintiff, who said he could not make it out, and told him to "hold on." They continued to go down, and in June a meeting took place of the directors, at which the defendant was present. At that time it should suggest that the shares be not parted with, but that they should be purchased by the present holders, in proportion to the shares they held. The plaintiff was not then aware, he said, that the defendant had sold shares, and said that he put himself down for about 460 shares. It fell to the plaintiff upon this plan to purchase more shares, which he accordingly did, at a premium of 10 per cent. This scheme, however, did not succeed, and the shares continued to fall lower and lower until they reached 8 or 10 per cent. discount. The shares could scarcely then be sold at all, and in the course of the year 1892 an amalgamation took place with the European Banking Company. The plaintiff lost, as he alleged, £1,500, and brought his action for compensation for this loss.

Mr. Lush, in stating the case for the plaintiff, relied chiefly upon the arrangement entered into by the defendant on the 5th of April with the directors. At that time, he observed, the shares were at a discount of 10 per cent., and the effect of the arrangement was that the 782 shares which had not been disposed of, and were then a drag on the company, were allotted to him at par, with a discount or commission of 2 per cent. It was of course his interest to get them up to a premium, and he endeavored to do so; and accordingly, by a process which was not altogether successful, but was so no longer, the shares suddenly rose from a discount of 10 per cent. to par, from par to premium, and from a premium of 1 or 2 per cent. to above 6 per cent.; and when the plaintiff was induced by the defendant's letter of the 14th of April to purchase shares, he got them at a premium of above 6 per cent. No sooner, however, had the shares been disposed of than they began to fall, and they fell to a discount in the course of the month, although the defendant had distinctly represented that they might safely be held for a month. The consequence, of course, was that the plaintiff lost his money, but the defendant had largely gained. He, of course, had parted with his shares at a premium and had cleared a large sum. That being so, it was right in the eyes of the law that he should, out of the large profits he had made, compensate the plaintiff the large loss he had sustained in consequence of the defendant's representations.

Sir Edwin Pearson was called and examined, and stated that the arrangement entered into on the 5th of April with the directors was that the shares were then at a discount of 2 per cent., and the word in the resolution was "commission," it really meant a discount, and was in substance the same. It was elicited both from Sir Edwin Pearson, and also from Mr. Tucker, the secretary of the company, that previous to the 5th of April, ideas were entertained by the directors of an amalgamation with the London Bank of Scotland, whose shares were then at 9 per cent. premium, and Mr. Tucker said he had no conversation with the defendant, prior to the 5th of April, some intimation of the

defendant offered to purchase his shares at $7\frac{1}{2}$ per cent. premium. That the plaintiff, after receiving the letter of the defendant, the secretary, on the subject.

raised an objection at the outset, founded upon "Lord Tenby" by which it is enacted "that no action shall be brought against any person upon any representation made concerning the credit of any other person, to the intent that such other person obtain credit, money, or goods, unless such representation be signed by the party to be charged therewith," upon which, it has been held that a representation partly written and partly oral, if the written part form a material part of the representation, the learned counsel contended that under this act the representation upon must be in writing, and that the letter of the 14th of May, written by the plaintiff's counsel—did not support the allegations alleged in the declaration.

He insisted that in fact it did so; as in substance it came to the same thing, the shares were a safe investment, and that it would be a good investment for a month. But he doubted if the statute applied to

Chief Baron said its object was to do away with actions upon oral representations as to the credit of other parties upon which goods or moneys were obtained. However, he would leave it to the jury as it should turn out to be upon the evidence, and amend the declaration as might be required, and reserve the point of law.

At the close of the evidence on behalf of the plaintiff, it appeared that there was no case.

Chief Baron, however, said he should not stop the case, and let the jury decide.

He submitted that as in point of fact there was no representation in the letter, the declaration must correspond with it, but it

Chief Baron thereupon amended the declaration in accordance with the letter.

He then addressed the jury on behalf of the defendant, urging them to find for the case as it now stood, upon the evidence of the plaintiff's representations alleged to have been false and fraudulently confirmed; for Sir Edwin Pearson distinctly at the time in question he considered that the company was in a good condition, and that the shares were a good investment; that he had such confidence in the prospects of the company, and the probability of amalgamation, that he offered to give $\text{£}7\frac{1}{2}$ per share for some of the shares, and he had continued to hold many shares.

The case for the plaintiff was founded upon a complete statement that the defendant had thrown his 780 shares on the market and got the plaintiff to purchase. But in point of fact the defendant had sold nearly all his 780 shares before his letter to the plaintiff, he had sold 750 before the 12th of April, and the letter was written on the 14th. On the other hand, the defendant had purchased more shares after the letter to the plaintiff, and the shares had risen after that letter. The defendant was of the amalgamation which was anticipated. The defendant was not to speculate in shares if he pleased, and he had simply followed the plaintiff's advice, in which there was nothing which was false.

The defendant, with other witnesses, was called to supply the facts thus narrated, and he stated that he had purchased some shares at premiums after the letter, and that he still held nearly the company, and he positively swore that at the time he was really believed that the company was in a prosperous condition with reference to its prospects of amalgamation, its shares were "valuable and profitable" investments for purchase.

In cross-examination he was pressed as to the number of shares employed in his sales and purchases of the shares, and he admitted he had employed four, and would not swear that it might not be more.

Other witnesses confirmed the defendant's evidence.

Mr. Lush, in reply, pressed these sales and purchases by the defendant as the very means by which the market was influenced.

The Lord Chief Baron, in summing up the case to the jury, with reference to the time which the trial of the case had been in charge of fraud required very careful consideration, and, so aware, this was the first time that an action quite of this kind had been brought. Lord Tenterden's Act, he observed, had put an end to such actions by word of mouth in ordinary cases. If such a case had been found, he said, by experience, that the plaintiffs in such a case succeeded, which could scarcely be supposed to have been allowed to go on with justice. Hence the act known by his name, which had put an end to such actions. Under that act he had, of course, expected that some representation produced in writing, and accordingly the declaration, to bring it into accordance with the terms of the act. That letter clearly imported a purchase for the purpose of the act, that is, while the shares were on the rise, with a view to the rise; and the question would, in his opinion, be whether the letter was written *bonâ fide*. Now he found great difficulty in pointing out a piece of evidence distinctly tending to show that it was not a false statement. No reliance had been placed upon the number of brokers employed, nor did he think there was much in that. Need he go further?

One of the jury observed that it was very unusual for a person to employ four or five brokers.

Thereupon the jury conferred together, and the foreman expressed some difference of opinion among them.

The Lord Chief Baron thereupon said that he really thought there was not sufficient evidence to convict the defendant upon a case of this kind. It ought not to be left to mere suspicion, suggestion, or conjecture. The jury, however, would form their own judgment on the case, and he formed it, no doubt, in the result, according to truth and justice.

The jury retired to consider their verdict, and in the result returned a verdict for the defendant, adding that they disapproved of the defendant in dealing with the shares as he did, he being

VARYING THE OBJECTS FOR WHICH A COMPANY WAS ESTABLISHED. THE SCOTTISH AND UNIVERSAL FINANCE BANK, LIMITED.

THIS case was heard before the Lords Justices of Appeal, on the 19th April.

It was an appeal motion from an order of Vice-Chancellor. On the 16th of February last a motion was made before his honor

ing that his name might be struck out from the above-named company. The objects of the Finance Bank, Limited, as stated in the prospectus of May, 1863, by Mr. Eve, one of the directors, were the purchase, importation, and exportation of goods. On the 28th May, 1864, Mr. Ship signed articles in the form annexed to the prospectus, and his name being inserted in the register for 50 shares. Incorporated on the 1st of June, 1864, under articles of objects differing and materially extending the objects stated, on the faith of which Mr. Ship had taken his shares of the company, as stated in these articles, for the construction of railways and other works or working such undertakings, and (clause 10) "any business of bankers, bullion and exchange agent, contractor, and capitalist, as principal or agent in the world which may not, in the articles of association of the company be prohibited." The company on the 1st of June, "with capital £1,000,000, with £100,000," fell into difficulties in last December, winding-up. Mr. Ship, who stated that the articles by which he was incorporated had never been sent to him, and his name removed from the register, on the ground that the company was entirely different from that in which he was incorporated. The application was opposed by the official liquidator, who submitted that Ship was, at all times, a shareholder of the company, having applied for shares in the register for six months without inquiry, thus holding the world as a shareholder, and inducing persons to take shares on the faith of his name. The objects of the company did not differ from those stated in the prospectus, and, in fact, and, at any rate, there was sufficient to have carried on the business. After hearing counsel for Mr. Ship and for the official liquidator, the court, without calling for a reply, held that Mr. Ship's name should be removed from the register. Being invited by the official liquidator in a company about to be incorporated for banking business, he set up an authority for himself. His name was registered as a member of the company, and his shares as totally different from those stated in the prospectus, of which he took his shares, as if, having intended to be a shareholder of the company, he had found himself a member in a company. It was quite true that banking operations were not stated in the prospectus, but at the terms of clause 10 of the articles of association, if anything of the kind in the prospectus, it was not stated how any persons having characters to lose themselves authorised in taking such a course as the company had taken. With respect to the company, the court held that Mr. Ship's name upon the register was not to be removed, but that as regarded the creditors who were official liquidators the case was different, and that the company was not to be an authority for the allotment of shares in the company. As to the consequences, the court held that the company ought to bear the consequences. The court was taken to be cognizant of the circumstances.

Mr. Ship had not signed his name as a subscriber to whatever that the directors might choose to establish, but to a bank with a given field of operation. The creditors held that this breach of confidence had been committed, and that the authority given by Ship had been totally exceeded, was wrong with the proprietors, and could not insist upon registration upon the register. The name must therefore be struck off and paid by the company.

The official liquidator appealed from this order, and mentioned on the 17th April, Mr. W. W. Mackeson of their lordships to intervene on the part of the directors represented in the case, the only parties before the official liquidator and Mr. Ship.

Mr. G. M. Giffard and Mr. W. Morris were heard for the liquidator for the appeal.

Mr. Daniel and Mr. W. W. Mackeson, for Mr. Daniel and the directors, also supported the appeal, contending that the name must not go beyond the objects intended, for that the *credit* was the intention of the parties.

Mr. Rolt and Mr. Locock Webb, for Mr. Ship, were not heard. Their lordships held that the decision of the Vice-Chancellor was correct, and dismissed the appeal with costs.

THE BIRMINGHAM BANK FAILURE.—IN RE ATTWOODS, SPENCER AND CO.

THIS case came before Mr. Registrar Hill, in the Bankruptcy Court, on the 10th April.

It was a meeting to confirm a resolution passed at a meeting on the 1st March, to take the estate out of the Bankruptcy Court and wound up by assignees chosen by the creditors.

Mr. W. S. Allen, who, with Messrs. Whateley, appeared for the directors, stated the purpose of the meeting, and explained the steps taken to inform all the creditors of the intention to carry out the resolution. Notices had been given in all cases where practicable, and in the bank of issue, the noteholder could not be specially served, as far as possible, that omission, advertisements had been published in the *London Gazette* and *Daily News*, and a great many other papers, setting forth precisely what it was proposed to do at this time. There was put in a mass of proofs concurrent to this step to the amount of £100,000 and there were, he said, proofs by more than three-fourths of the creditors. The resolution he proposed was to the effect that all proceedings in the bankruptcy be suspended; the estate to be wound up by the directors at their discretion, with full powers to make all needful arrangements.

Mr. John Suckling (who represented creditors to the amount of £150,000 and £200,000) concurred generally with the proposal of Mr. Allen, but suggested that there should be an addendum to the effect that the offer of the Birmingham Joint Stock Bank to pay the creditors 11s. 3d. in the pound was to be free of all charges which might arise, or be incident to the winding up. He wished, he said, to guard against any mistake in the offer of the Birmingham Joint Stock Bank should

been accepted by the creditors—a clear 11s. 3d. in the
 ected to the addendum proposed. They had been ad-
 on the best legal authority, that it was undesirable to
 on with any such speciality as Mr. Suckling had sug-
 would be unduly tying up the hands of the assignees.
 (Hilton, Burton, Yeates, and Hart) took a similar view,
 Lawrance (Lawrance, Plews, and Boyer) who appeared
 l. The addition suggested by Mr. Suckling might, he
 nvenient, as in the case for instance of a better offer being
 at of the Joint Stock Bank. He hoped that the resolu-
 Mr. Allen would be adopted in its integrity, it being
 in its terms for anything.
 resolution was carried in the terms moved by Mr. Allen,
 ly was fixed for the “order of discharge” meeting, and
 agreed to hand over his proofs to the solicitors to the
 Suckling to have access to the books after the accounts are
 ers of the Joint Stock Bank have yet to meet to sanction
 y their board.

Reports of Joint-Stock Banks.

AUSTRALIAN JOINT STOCK BANK.

general meeting of this bank was held at the bank, in
 1st January—T. C. Breillat, Esq., in the chair.
 report was read:—

of management have much pleasure in submitting to the
 accounts for the half-year ending 31st December last,
 it be seen that the gross profit of the bank has amounted
 7d., and that, after payment of interest, rebate, commis-
 age, and all salaries, rents, and working expenses, there
 appropriation the sum of £38,513. 0s. 3d. The account is as

ed profits last half-year	...	...	...	...	£1,711	10	6
net six months, after deducting rebate on current	...	...	...	...
expenses of management, and after writing off	...	...	...	...
ount of bank premises in Sydney, and 10 per	...	...	...	...
premises at the branches on account of furni-	...	...	...	...
gs, and after providing for all bad and doubtful	...	...	...	...	36,519	9	9
otted shares sold	...	...	...	...	282	0	0
Together	...	...	...	...	£38,513	0	3

recommend to be appropriated in the following

To reserve fund
 To dividend at the rate of 10 per cent., and bonus of 2½ per cent.
 equal to 12½ per cent. per annum, on the paid-up capital
 the bank, and in pursuance of the provisions of the deed
 settlement, they declare the dividend and bonus accor-
 ingly

Leaving balance of undivided profits, carried forward ...

The reserve fund at the commencement of the last half year
 was

To which there is now added

Making the reserve fund at this date ...

"These are favourable results of the past half-year, business of the bank in safe and profitable transaction time when a further call for capital will be required. again reminded of the great value of their co-operation enlarging the circle of the bank's customers. Seven new br added to the establishment, four in New South Wales and land. In pursuance of the amended deed of settlement, t out by rotation at this meeting, viz. :—T. C. Breillat, Esq. Esq., M.L.A., and John Fairfax, Esq., the two forme eligible for re-election, Mr. Fairfax having left the col Europe. It therefore devolves on the meeting to elect tl of the candidates who have given the requisite notice as daily papers. Two auditors are now to be elected in th Stabler and George Ferguson, Esqrs., who both retire, h is eligible for re-election. The extension of the bank approaching completion, and the next half-yearly meetin the new board room."

Balance-sheet, 31st December, 1864.

Dr.

Capital paid up	...	...	...	...	...	...	...	...
Notes in circulation	...	...	...	...	...	...	...	...
Deposits and other liabilities	...	...	...	...	...	...	...	...
Profit and loss	...	...	...	...	...	...	...	...
Reserve fund...	...	...	...	...	...	...	...	...

Cr.

Coin	...	...	...	...	...	...	...	...
Bullion...	...	...	...	...	...	...	...	...
Government securities	...	...	...	...	...	...	...	...
Notes of other banks	...	...	...	...	...	...	...	...
Bank premises	...	...	...	...	...	...	...	...
Bills discounted, and other debts due to the bank	...	...	...	...	...	...	...	...

PROFIT' AND LOSS.

... ..	17,439	12	0
... ..	25,174	13	10
... ..	2,000	0	0
... ..	31,250	0	0
... ..	5,000	0	0
... ..	2,263	0	3
	<u>£83,127</u>	<u>6</u>	<u>1</u>
... ..	81,133	15	7
... ..	282	0	0
... ..	1,711	10	6
	<u>£83,127</u>	<u>6</u>	<u>1</u>

RESERVE FUND.

...	...	...	...	...	...	...	£55,000	0	0
							<u>£55,000</u>	<u>0</u>	<u>0</u>
ht forward...	...	...	...	...	...	...	50,000	0	0
profit and loss	...	...	...	...	...	...	5,000	0	0
							<u>£55,000</u>	<u>0</u>	<u>0</u>

was received and adopted, and ordered to be printed and circulated to the proprietors.

ing been demanded for the election of three directors in the
Breillat, J. B. Darvall, M.L.A., and John Fairfax, Esqrs.;
mel, L. W. Hurford, and Henry Ferris, Esqrs., were appointed
who reported that Mr. Darvall, Mr. Lord, and Mr. Stabler
the highest number of votes; whereupon J. B. Darvall,
Edward Lord, Esq., and George Stabler, Esq., were declared

Ferguson and Richard Binnie, Esqrs., were elected auditors for year.

of the meeting were awarded to the directors and general their zealous and successful services during the past half

ANGLO-EGYPTIAN BANK, LIMITED.

inary general meeting of the shareholders of this company
the 29th March, at the London Tavern; Samuel Laing, Esq.,

convening the meeting was taken as read, and also the following of the directors :—

"The bank began operations on the 1st September, and the year in Egypt closes on the 30th June, the accounts received in February are necessarily provisional. In future it will hold the annual general meetings of the company in October so as to have time to have the full accounts of the financial year from Egypt and fully examined before the declaration of dividend; and although it has been necessary to call the preliminary meeting in the month of March on account of the statutes, the directors of the first regular annual meeting shall be held accordingly in the month of the present year, for which purpose they will call a special meeting to alter the statutes. In the meantime, however, they are satisfied that the results of the working of the bank for the first year have been most satisfactory. Although the critical state of business in Egypt, the money pressure in England, and the state of the cotton market in Egypt, prescribed great caution, so that little was done for the first months after the bank was established, a large and profitable business has already been transacted, and extensive operations have been successfully entered into. The provisional balance-sheet for the year from Alexandria shows an aggregate of transactions amounting to £9,000,000 passing through the books of the bank without any loss or debt; and the account of profit and loss, after allowing for suspense accounts, shows that the directors have recommended in recommending an interim dividend of 8s. per share, at the rate of 10 per cent. per annum on the amounts paid up, and in forwarding a handsome surplus to be brought into account at the first complete accounts of a financial year's working, that the shareholders in October or November next."

The Chairman then said he had taken the chair at the meeting for his friends and the meeting, principally because Mr. Pastré, the managing director of the company, was not in the habit of addressing a meeting. He should observe that the report stated that this meeting was entirely and entirely a provisional one; the articles of association should be called within the month of March, and the year's business terminated only in June. The operations of the bank had therefore, been entirely provisional. The directors were satisfied with the report in the hands of the shareholders on this account because of the delay in the arrival of the mail from Egypt, and the boisterous weather in the Mediterranean. Mr. Pastré, the managing director of Alexandria only arrived just in time to enable them to complete the report within the time prescribed by the articles of association. Under those circumstances the directors had the alternative of holding the meeting postponed until the month of October or November, but the shareholders together to give them generally the state of affairs the directors had received of the state of their affairs, in order to save them waiting the whole twelve months for any return. Therefore, they must take upon the credit of the board what was simply this; that their accounts were perfectly satisfactory, and that to the amount of profit and the condition of the assets, and the amount of business transacted, the directors saw their duty to recommend the dividend mentioned in the report of 8s. per share, income-tax, being at the rate of 10 per cent. on the capital paid-up under the different calls. They might be certain that they would not recommend an interim dividend unless they were of the every probability that the rate would be kept up in the future.

The directors would be enabled to declare a larger dividend, for they had been but a short time in existence, and a good many of the accounts were necessarily suspense accounts, and were not finally settled until the close of the Egyptian year. The directors had thought it prudent to recommend this dividend on account, and wait the end of twelve months before they paid any larger dividend. Therefore, they remained on the present occasion but to ask them, if they would adopt the report of the directors and confirm the dividend. They found the proper time to hold the annual meeting about the month of October, as in Egypt practically the year closed with the month of June or July. That was the time the harvests were all gathered in, and when the dry season set in, the inundation of the Nile restored activity there was a period of two or three months, and that was the period in which the transactions were wound up. Those accounts would be ready in August, and that would give the month of September to run fully, and the month of October they might look forward to the next meeting. Two special meetings would have to be called for articles of association, to substitute the period of October for that of March or April for holding the general meeting. He merely mentioned this that gentlemen might know what would be the effect of the notice they would receive, that they might not be under any unnecessary inconvenience. For the present he would confine himself to moving that the report of the directors be adopted, and that a dividend of 8s. per share free of income-tax declared by them be confirmed.

Macpherson seconded the resolution, and it was carried unanimously.

Thanks were then passed to the chairman for his able conduct.

The chairman said he was very much obliged to them, and hoped when they next met them on the next occasion the accounts would be equally satisfactory to both parties.

The proceedings then terminated.

EUROPEAN AND AMERICAN FINANCE CORPORATION, LIMITED.

At an ordinary general meeting of the shareholders in this company held on the 30th March; Edward Rudston Read, Esq., in the chair.

The chairman having read the notice convening the meeting, stated that there was a slight inaccuracy in the report as regards the available balance for liquidation, which should be £880. 1s. 11d. instead of £880. 1s. 11d., but that the accounts attached were correct, and were not affected by the figures in the body of the report.

The chairman then read the amended report submitted to the meeting, the accounts having been taken as read. The chairman, in moving the adoption of the report and accounts, said that although in the first instant two or three dissentients to the arrangement of the Public Works Credit Company, Limited, had presented objections, all objections had been since withdrawn, and the agreement

was now unanimously approved, and the object of the present meeting merely to submit the report and accounts, and formally declare a dividend as recommended at the late extraordinary general meeting. The shareholders held on the 1st and 20th ultimo.

It was then proposed by the Chairman, seconded by John Hoole, Esq., and unanimously resolved:—"That the report and accounts to the 23d March now submitted be received and approved."

It was moved by the Chairman, seconded by George Rawlings, Esq., and unanimously resolved:—"That a dividend of two shillings (less of income-tax) upon the 10,000 shares, be hereby declared payable on and after the 20th April."

Joseph Hoole, Esq., proposed, and George Rawlings, Esq., seconded, and unanimously resolved:—"That as the business of this company is to be transferred to another company, the shareholders feel it incumbent upon them to vote some remuneration to the directors for their past services, and beg their acceptance of £300 out of the available funds." The resolution was carried unanimously.

It was moved by Henry John Bale, Esq., seconded by John Hoole, Esq., and unanimously resolved:—"That the best thanks of the shareholders be given to the chairman and directors for their zeal and ability in the management of the company's interests of the company."

BRITISH AND CALIFORNIAN BANKING COMPANY LIMITED.

THE first annual meeting of the shareholders of this company was held on the 2nd April, at the London Tavern; W. Nicol, Esq., in the chair.

Mr. Samuel Magnus (the secretary) read the notice of the meeting, and also the following report of the directors:—

"The directors have the pleasure to submit to the shareholders the audited balance-sheet of the bank to 31st December, 1881. The credit of profit and loss account the sum of £6,231. 17s. 6d. less the deduction of the current expenses, amounting to £2,361. 10s. 6d. available balance of £3,869. 10s. 3d. In the report addressed to the shareholders on the 12th December last, the directors gave an account of their proceedings up to that date. They have now to state that the bank in San Francisco commenced business in their own premises under the management of Mr. Henry S. Babcock, at the end of November. Subsequently the accounts only include the results of a few weeks' business in California. The paid-up capital of the bank on the 31st December amounted to £100,000; since which time the first call of £10,000 has come due, and has been well responded to. The directors have been busy respecting the development of local and general business in California, and the arrangements concluded with banks and commercial houses of eminence in the different localities connected with the trade of the country. The promise to be of importance, and have already begun to bear fruit. The directors now declare a dividend of three shillings free of income-tax, payable to the proprietors on and after the 20th April, which will absorb £3,000, and leave £869. 10s. 3d. to be added to the credit of profit and loss new account."

Chairman said it would be in the recollection of those who were shareholders that this undertaking was introduced to the London and the London Financial Association. That association invited afterwards got shares to take a part in the undertaking, they agreed to pay the preliminary expenses up to a certain point. They undertook to pay the clerks, printing, advertising, and all the expenses up to the allotment in the Stock Exchange, and the amount given by the committee of the Stock Exchange to the company. They were to receive a stipulated sum for their services, and it was due to them to say also, in case the undertaking did not succeed, they undertook to be at the risk of the preliminary expenses. The undertaking did succeed up to the allotment of the shares by the Stock Exchange, and that association received the stipulated amount of £6,000. It was necessary to mention this, as the preliminary expenses might appear large. While the matter was in course of arrangement, it might be advisable to form a connection with one of the leading banks in California, by which arrangement they would have a resident manager and their managing director. Another partner in the same concern was to sit at his seat at their board, and a stipulated sum was named that was to be given. This had so far been carried out that the partner sat at his seat at the board, and the company had made preparations for commencing business at San Francisco. They had sent out an agent and an accountant. As he had stated, it was arranged that in the house was to undertake the duties of managing director, and when they came to look more narrowly into the matter it was found impossible to separate the banking from the commercial business. There had been a failure of their crops, and business was rather at a standstill. It ended in their mutually agreeing to abandon the junction which was arranged for. That was at the end of June, and since then they had obtained the services of Mr. Henry S. Babcock as manager, and they had every reason to be satisfied with his management. In the case of these delays it was nearly the end of November before they commenced active business in San Francisco, so that the profits, as San Francisco was concerned, were merely of a nominal kind. In the meantime, however, the times had been favourable to their employing the services of the shareholders profitably in this country, and the bulk of the profits, in fact, had been earned in the ordinary channels of business. The company had made an arrangement with Messrs. Brown and Co. of New York, for which house Brown, Shipley and Co. were the agents in this country, and they had every reason to believe that the arrangement would prove a highly satisfactory one. Arrangements had been made with nearly all the Indian banks, some portions of which had been carried into effect by joint shipments of precious metals, and they had a little more time to get the metals into San Francisco, and they doubt they would be able to carry on a profitable business. The capital in London was £5,000, and during the short time they had been in operation in San Francisco they had realised about £1,200—that was in six weeks—the directors had seen no reason to have a worse opinion of the undertaking than they had at the commencement; and their manager, Mr. Childers, spoke most encouragingly of their prospects. On the board they had men who had had long experience in San Francisco, whose aid was most valuable. They had had the misfortune to lose the services of Mr. Childers; but to show his opinion of the concern, he had sold his shares, and intended to do so. Although the undertaking had

been slow in the commencement, perhaps they would give the for taking their ground carefully and cautiously. Of the formed the board, including himself, ten were engaged in business and two were gentlemen of eminence in San Francisco. To see the board held of the undertaking, he might say the directors held more than 15 per cent of the capital, or 3,000 shares. Although the progress had been slow, they must hope that it was like the British oak, which, though slow of growth, has always been a favourite in this country. Before moving the adoption of the report, he would be glad to receive inquiries of any shareholder.

A Shareholder said that no doubt many were disappointed at the report. He thought the preliminary expenses, £9,000, were a very large sum. In addition to that there was the cost on the Stock Exchange which might have had the effect of reducing the number of shares allotted to them. He believed they had not used the 3,000 shares to the London Financial Association at par, as they were used for a particular manipulation known as "rigging" the market. The shares were sold to unfortunate shareholders like himself at a premium.

The Chairman replied, as far as the directors were concerned, far from lending their sanction to any dealings of that kind on the Stock Exchange. It was quite true the London Financial Association had a number of shares allotted to them. He believed they had not sold them since, but he did not think they had "rigged" the market.

A Shareholder thought the directors' remuneration very high, a year, and £500 for every one above 6 per cent.

The Chairman said that was what was stipulated in the articles of association, but he might state the directors had not taken that into consideration, not taken more than half of it.

A Shareholder said the item for freehold premises in San Francisco, Lombard Street was very large.

The Chairman said they had purchased the freehold in San Francisco for £8,000, and he had a photograph that they might judge of the value of the building. About £600 had been expended in completing the bank. The lease of the premises in Lombard Street was for £2,500. He might add that the rent derived from the premises in San Francisco gave a return of 12 per cent. on the outlay.

Mr. McEwen, a shareholder, said he could not see what the directors had to do with any other company. They must bear in mind that the year was a year of considerable speculation in companies, and a great number of the shares of this company were applied for. In view of their being re-sold at a considerable premium. As to the view of the new companies, steps were taken to give the appearance of considerable business being done in order that the shares might be sold at a premium. He had never taken shares in any company except this, and he thought if shareholders came into a bank such as this altogether a delusion for them to expect rapidly to acquire wealth. His own opinion was that the directors of this company were to be the thanks of the shareholders for the care they had taken of the business—for they had resisted the temptation of rushing into a business which might have resulted in a loss. They had laid the foundation of a sound and profitable business. (Hear, hear.) He could not see any argument with respect to the preliminary expenses and the directors. His own experience was that if their business was carried

San Francisco, at no very distant date it would pay a large portion of the capital. There would be no large amount of customers' balances long time. The capital on which they would trade must be paid up, for not until they had done business for a long time would they have deposits to a large amount. He had seen in other companies shares go to a discount on the very same grounds as this, where speculation had been exercised, and the business had been made sound, and profitable. Having at their head gentlemen of practical banking with a knowledge of banking on the other side of the world, they ought to be a great success. He would only repeat, as far as concerned he thought they owed very much to the directors that resisted the temptation of rushing into business, and laid the foundation for the business for which the institution was originally founded.

The chairman then moved the adoption of the report, and Mr. Wade seconded the motion.

Mr. Alder contended that it was quite premature to declare a dividend, and moved an amendment that it was inexpedient to carry out the recommendation of the directors to declare a dividend. There did not seem to be anyone willing to second it, and the hon. proprietor said he would not press his amendment, and accordingly withdrew it. The question for the adoption of the report was then put and carried.

The resolutions of the meeting were then voted to James Begbie, Esq., and John Spratt, Esq., for their efficient audit of the accounts, and they were unanimously re-elected auditors for the ensuing year.

A resolution was then made special for the purpose of making the following alterations in the articles of association. In the clause 97, to substitute the words "four months" for the words "two months," and in the clause 98, section O, to insert the words "except the shares of the company," after the word "foreign."

The motion was then passed to the chairman and directors, and the meeting terminated.

NATIONAL FINANCIAL COMPANY.

A general meeting of this company was held at the Chamberlain's, on the 3rd April, for the purpose of considering an agreement proposed by the directors of the company and the Oriental Commercial Bank, for the combination of the two undertakings. The chairman was Mr. M. C. Seton.

The chairman read the notice convening the meeting.

The chairman—Gentlemen, the circular letter which has been sent to you has informed you generally of the object of this meeting. I have generally expressed opinion at the last public meeting (the first meeting), and from the letters which we have had from the shareholders, and from the conversation we have had, particularly I myself, of the shareholders, I believe the desire then expressed has been generally carried out in this proposed amalgamation—that desire should rather seek to obtain regular and steady dividends of a permanent character than extraordinary and fitful dividends which were

of a more doubtful character, and might not continue so long as we have had in view, and we believe that we have obtained a goodly amalgamation. The business of the Oriental Commercial Bank has been carefully examined, and we find that from the commencement they have paid a dividend of 15 per cent., with which, I think, they may be well contented; but there is no reason why it should not be increased, and I hope it may be increased. But, at any rate, we have satisfied ourselves—namely, that it is a genuine, solid business, not likely to be subject to fluctuations, nor incur any great risk; and therefore we hope we have fulfilled your wishes. I will give your approval of this step which we have undertaken, and be happy to answer any questions before moving any resolution. Perhaps you would like to hear the agreement which has been proposed. I will therefore call upon the solicitor to read it.

The Solicitor here read the agreement, the terms of which were that the shareholders of the National Financial Company were to contribute £5 to the Oriental Bank £100,000, and £5 contribution to the National Financial Company for which they would be credited with £4 shares paid-up, but £1 would be taken to make the £4 shares up to £5, and the balance would go to the joint reserve.

A Shareholder—What is the reserve fund of the Oriental Bank?

Mr. Pepper—It will be about £45,000, including £5,000 contributed by this company.

The Shareholder—What was the reserve fund of the National Financial Company which amalgamated with the Oriental Bank?

Mr. Pepper—£19,500.

Mr. Gosset said that the Oriental Commercial Bank shareholders had agreed to contribute £5 to the National Financial Company. Did he understand that the shares of the National Financial Company would be £4 paid up?

The Chairman—At first.

Mr. Gosset said he should like to know whether there was any intention of calling up the £3 as to when the other £3 was to be called up, as that was a point to the shareholders. He also thought some balance had been furnished to the shareholders, so that they might be in a position they were in at the present moment. At the last meeting a sum of money had been put down as profits not then realised. He thought more information should now have been given. There was no doubt that the thanks of the shareholders were due to the directors for endeavouring to carry out this amalgamation, and the result would be that the shares of the company would be £4 paid up.

Mr. Clench said that, with regard to the arrangements for the amalgamation, the shareholders would be credited with £4 paid up, and the intention of the Oriental Bank hereafter to endeavour to have the shares remain at £5 paid up; and a great many, if not all, the shareholders in the Oriental Commercial Bank, had agreed to contribute £5 to the National Financial Company. The agreement was that the assets would realise a still greater amount, and would be to the credit of the shareholders. It was not the intention of the directors to make a further call, as they believed that the united capital would be sufficient for all practical purposes. He believed the amalgamation would improve the value of the property in the market, and the interest of the shareholders in every way. With respect to the balance alluded to as having been realised, the balance, after providing for the

go to the reserve fund of the amalgamated companies to various disbursements—such as expenses of management, fees and dividend, and other expenses incidental to the working of

7.
att, M.P.—Then we are to be credited with £1 per share paid fund.

man—Yes.

itor—I will explain. The effect of the arrangement is this : re, on 25,000 shares, is £100,000, and £5,000 contribution to fund is £105,000, then after having handed over to the n £105,000 the shareholders of the National Financial t of £1 per share (making, with £4, £5 per share), will take make up that, and any surplus will go to the joint reserve. att said he should like to know further about the profits stated d at the last meeting.

ch stated that it was right the directors should answer this ankly. £21,000 was carried to the suspense account, which earned by the company, but not realised as set forth in the of that there was £9,000 upon which some dispute arose, n was commenced by the company to recover it, but in the the parties failed, and the directors had proved against the hat amount. The remaining £12,000 was conditional upon racts being realised. At present it was premature to say how ould turn out to be, but whatever it was would go to the e company.

Burney (Chairman of the Oriental Commercial Bank) re- n the benefits likely to result from the amalgamation, and at for £90,000 cash paid the National Financial would receive £100,000. He also remarked that if possible the directors ould do without a call.

or two further remarks from Mr. De Pass, Mr. King, and

man moved a formal resolution approving of the agreement, econded by Mr. King, and carried unanimously.

man then announced that in consequence of the amalgamation irectors had been obliged to retire, and he thought the thanks holders were due to those gentlemen for having thus given r to promote the welfare of the company.

older expressed his opinion that something more than thanks o them, and moved that the sum of £300 each be awarded as seconded by another shareholder.

ttlemen dissented from the proposition, but on the motion the meeting it was carried.

thanks was then passed to the chairman, and the proceedings

BANK OF BRITISH COLUMBIA.

ry general meeting of the shareholders of the bank was held pril at the London Tavern, Bishopsgate Street, Mr. T. W. L. the chair.

The following report was taken as read:—

"The directors in submitting their report have to c
shareholders on the success that has continued to attend
of the bank. From the accompanying statement of acc
seen, that after paying current expenses and deducting
on bills not due, the amount of undivided profit at the c
half-year, ended 31st December last, was £18,680. 12s.
directors propose to appropriate as follows, viz.:—£8,333.
ment of a dividend at the rate of 10 per cent. per annum
months on £125,000, and for four months on £62,500, pai
last); £7,000 to be added to reserve fund, which will be t
to £13,000; leaving £3,347. 5s. 5d. to be carried forwar
half-year. The directors who retire by rotation are Mr.
Kay, and Mr. Anderson, but, being eligible, they offer the
election. The proprietors will have to elect auditors for th
By order of the Court, HENRY ED. RANSOM, Manager."

*Statement of Liabilities and Assets at the London Office and
on 31st December, 1864.*

LIABILITIES.

Dr.

Capital paid up	...	...	...	...	...	...	...
Reserve fund	...	...	...	...	...	...	...
Deposits, notes in circulation, bills payable, and other lia- bilities	...	...	...	...	...	...	...
Balance of profit and loss on the 31st December, 1864	...	...	...	...	...	...	...

ASSETS.

Cr.

Specie and bullion in hand, and cash at bankers'	...	...	...	...	...	...	...
Bank premises, furniture, and other property	...	...	...	...	...	...	...
Bills discounted, bills receivable, government and other secu- rities	...	...	...	...	...	...	...

Profit and Loss Account, 31st December, 1864.

Dividend paid 3rd October, 1864	...	...	...	...	...	...	...
Amount carried to reserve fund	...	...	...	...	...	...	...
Charges to 31st December, 1864, including rent, taxes, sala- ries, directors' fees, and all other expenses at head office and branches	...	...	...	...	...	...	...
Balance of profit 31st December, 1864	...	...	...	...	...	...	...

Loss account, brought from 30th June,	...	...	...	...	...	11,105	16	6
ending 31st December, 1864, after de-	...	...	...	...	...	25,006	16	7
interest on bills not due	...	...	...	...	...
						<u>£36,112</u>	<u>13</u>	<u>1</u>
						<u>18,680</u>	<u>12</u>	<u>1</u>
						<u>£18,680</u>	<u>12</u>	<u>1</u>

moving the adoption of the report, said that the great since the last meeting had been the establishment of a scho, which had up to the present time done remarkably at hopes that it would continue to prove a source of There had been a line of steamers projected between hina, to which the American government had granted eamers would be in operation very shortly, and by erce of San Francisco would tend to benefit their er point upon which he had to congratulate the pro- ry had not been able to discover a single bad debt h in a measure was due to the great zeal and ability inspector, and those under him.

been seconded by Mr. R. Gillespie, ed whether, in the judgment of the directors, it was e a proportion of the profits as £7,000 out of £18,000 e the reserve fund. He thought that a larger dividend ed, although probably the board had some object in tion they had made.

that the board had not the slightest idea of any bad e fund had not been augmented on that ground. A t every prudent bank desired to make. (Cheers.)

questions, l that the reserve fund was not invested in govern- mployed in the business of the bank.

pted, and a dividend at the rate of 10 per cent. per e tax (being for six months on £125,000, and for 00 paid 1st September last), was declared payable on

ted that it was possible that the requirements of the e directors to make a call, but it would not be before ent of an issue of new shares of course they would be to the existing shareholders.

ors and auditors having been re-elected, the proceed- a close with a vote of thanks to the chairman.

BANK OF QUEENSLAND, LIMITED.

General meeting of the shareholders of this bank was e the company, 26, Old Broad Street, on the 5th of e of confirming certain special resolutions amending ation, agreed to at an extraordinary meeting held on airman, Sir Joshua Rowe, C.B., presided.

The Secretary (Mr. Muir) read the resolutions, which were:—to transfer the power of increasing the capital of the company to the directors; to determine an increased number of directors; to reduce the maximum amount of directors from £4,000 to £2,000 per annum; and to transfer the power of appointing auditors from the directors to the shareholders.

The Chairman said the meeting was merely a matter of being to confirm the special resolutions which had been previous extraordinary meeting. He then put the resolu to the meeting, which, having been seconded by Mr. Co mously confirmed.

The proceedings then terminated.

DISCOUNT CORPORATION, LIMITED

THE second ordinary general meeting of the shareholders was held on the 11th April, at the London Tavern; Mr. in the chair. The following report was presented :—

"The Directors have the pleasure to submit to the shareholders the annual and closing Report was presented. The statement of the affairs of the corporation for the half-year ending 1865, showing a gross profit, including £648. 1s. 1d. brought in last account, of £31,224. 1s. 10d., from which, after deduction of bills not due, and current expenses, there remains £16,111. 7s. 6d. The directors recommend the sum of £5,000 appropriated to the payment of a dividend of 10s. a share, being rather more than 5½ per cent. per annum on the paid-up capital; they have set aside the sum of £9,000 to meet bad and doubtful debts, leaving a balance of £2,111. 7s. 6d. to be carried to the profit and loss account. Since the last meeting of shareholders, the company has passed through a very severe and prolonged monetary crisis, and the directors are satisfied that, considering the large number of companies that have taken place, the amount, £9,000, which they have set aside from the half-year's profits as the maximum amount of loss, will be considered by the shareholders as moderate, and that they have been led to anticipate. They have, further, much to recommend the position of the corporation as regards its convertible securities. The directors can report most favourable views of the company's business, but, as its profits depend greatly upon the amount of deposits, they would urge shareholders that, by bringing and influencing these, they will contribute to its success.

Balance-sheet, March 31, 1865.

Dr.

Capital account—10,000 shares, on which £20 have been paid, £200,000; Less arrears, £1,795	...	...	...	...	...
Loans, deposits, &c., &c.	...	...	...	...	...
Reserve fund	...	...	...	...	...
Amount at credit, as per annexed statement	...	...	...	...	...

...	...	...	...	...	...	£58,011	18	8
es, &c., &c.	...	...	...	...	...	2,228,973	4	0
uce and Co., and Messrs. Weston and	...	...	...	...	...
purchase of their business	...	...	...	...	...	60,000	0	0
per last balance-sheet, £5,352, 9s. 5d.;	...	...	...	...	...
ptember last, £2,000	...	...	...	...	...	3,352	9	5
						£2,350,337	12	1

Account for the six months ending March 31, 1865.

adding salaries, rent, taxes, income-	...	...	...	...	...
editors' remuneration, and all other	...	...	...	...	...	£5,111	11	2
bad debts, £9,000; Rebate of interest	...	...	...	...	...
not yet due, carried forward to new	...	...	...	...	...
; Dividend of 10s. per share on 10,000	...	...	...	...	...
ce carried forward to profit and loss	...	...	...	...	...
7s. 6d.	...	...	...	...	...	26,112	10	8
						£31,224	1	10
from 30th September, 1864	...	...	...	...	...	£648	1	1
half-year	...	...	...	...	...	30,576	0	9
						£31,224	1	10

moving the adoption of the report, said that by
tion their meetings were held only once a year.
prosperous state of their affairs during the past
nt desirable to submit to the shareholders a state-
s of the company during that period. He did not
be said in addition to the information given in
ort had already been circulated amongst the share-
were in possession of all the facts connected with
pany during the past six months. He would
e the adoption of the report, but before putting
egged to say that he would be happy to answer
ight be asked respecting any matters mentioned

what was the rebate at which bills were carried
and a half.

e £60,000 complete our purchase money in regard
srs. Bruce and Company and Messrs. Weston and

another £10,000 to pay still.

directors think the sum carried forward for bad
iciently ample?

whether the securities were readily convertible or

The Chairman replied that they were in a favourable position, every one of their securities being easily convertible.

The motion for the adoption of the report was then put and passed unanimously, and a dividend at the rate of 5½ per cent. was declared accordingly.

The Chairman took occasion to remark that the company had passed through a very exceptional period, notwithstanding the results shown, he thought, might be looked upon as satisfactory. He thought, however, they might consider that they had seen the effects of the late monetary crisis, and good times were before them.

A Shareholder complained that some time since, when he had asked the secretary for information as to what probable losses the company were likely to suffer through the effects of the late monetary affairs at that time, the secretary gave indefinite answers, whereby he (the shareholder) was led to infer that some losses had been sustained, and he was therefore dissuaded from inquiring further, which at the time he had at his disposal. If that question had been fairly answered—if it was admitted by the secretary that some losses, but that, considering the commercial crisis at that time, they were not considerable—he maintained that it would have been a fair answer for the company. He thought every shareholder was entitled to an answer from the secretary.

A Director thought it would have been very unwise for the company to give the information required in this instance, because the shareholders, by getting the information would know more than the general body of shareholders, and would therefore possess an undue advantage over the other shareholders. He hoped the shareholders would support the directors in not giving any one shareholder information which the others had not heard of.

In a short discussion which ensued, the conduct of the secretary in giving the information was declared to be only right and proper. The general feeling seemed to be, that if the secretary had given the information sought to be obtained, he would have been guilty of a dereliction of duty.

The Chairman, in reply to a question, said that according to the prospectus, they had made as many calls as they could. At present there was no occasion for any further call. It was very desirable, however, to raise more capital, and if it was found necessary to make a further call, it was possible that they would take steps to do so.

A Shareholder remarked that the directors had carried the company through a period of unparalleled trials. When last the shareholders met, it was said that they would not meet again till they met in triumph. That they would be wound up and done up—(a laugh)—but they had met that day under more favourable circumstances than they could have expected, and for this result the directors were thanked. He begged, therefore, to move the cordial thanks of the shareholders to the directors, believing, as he did, that the shareholders would be able to handle the company with hands, and the probability was that when next they met it would be under even more favourable auspices than the present.

The motion was unanimously agreed to, and a vote of thanks to the chairman concluded the business.

FINANCIAL CORPORATION, LIMITED.

ordinary meeting of the shareholders of the Financial Corporation, was held on the 12th April, at the London Tavern, for the purporting into effect the amalgamation of this company with the Commercial Bank, Limited, pursuant to the terms and conditions preliminary agreement for the purpose entered into between the Oriental Commercial Bank, Limited, and the Financial Corporation, Limited, and, in order thereto, of passing a resolution of the company voluntarily, and taking such other steps as might be necessary; Mr. James Goodson in the chair.

According to a circular published by the directors, the terms of the amalgamation were that the amalgamated company will embrace the business of the Oriental Commercial Company, the National Financial Company, the Financial Corporation, and will be carried on under the title of the Oriental Commercial Bank, Limited." The capital of the amalgamated company will be £3,000,000, of which the first issue will be £1,750,000, in 75,000 shares of £20 each, £5 paid, the whole of the first issue being already subscribed. The shareholders of the Financial Corporation are to be entitled to one share in the new company for each share now held in the corporation, £2 paid; and each of the shareholders will receive in the new company will be credited, in the new company, with £4 paid. The remaining £1 is to be credited as the value of the assets of the Financial Corporation are realised; or, if these assets are deficient, by a call to the extent of the deficiency, whatever it may be, not exceeding 6s. 8d. per present share. It is not contemplated to call on the shares of the Oriental Commercial Bank, Limited, for £5 per share at present paid. The new company will commence business with a reserve fund of £45,000, being at the rate of 12s. 6d. in which the holders of Financial Corporation shares will participate equally with the other shareholders. A dividend at the rate of 10s. per annum will be paid upon the shares of the Financial Corporation from the 31st December last to the 31st March ult. No dividends are to be paid, or new shares exchanged, for any Financial Corporation shares until all any calls shall remain unpaid, but all such shares will in due time be forfeited. The Oriental Commercial Bank, Limited, will enter into possession of the assets and securities, and take upon itself all the liabilities and engagements of the Financial Corporation immediately on the completion of the preliminary agreement, by a more formal legal deed, in the course of preparation.

The chairman said, although the articles of association would have enabled the directors to have carried out this arrangement without the shareholders to come to a meeting that day, yet a sense of duty induced them to assemble the proprietors for the purpose of discussing the proposition. The proposition to be submitted was the amalgamation of this company with the Oriental Commercial Bank; and he could understand of the prevailing views of the proprietors, and the general satisfaction. With this company the National Commercial Bank could be incorporated, and he believed with those three companies combined they would have an institution deserving the support of the public, by whom he had no doubt it would be admirably received. Companies with small paid-up shares generally laboured, as they had opportunities of observing, under great difficulties from having

sums of money locked up which they were unable to utilise in their companies. With a more extended sphere they would have the advantages they were entitled to expect. The directors had, therefore, it was their duty to encourage an amalgamation with another company if an opportunity had arisen, and it would be for the meeting to consider the proposition submitted to them. He and his colleagues were of the opinion that it would be greatly to the interests of this company if such a move had been necessary very shortly to have made a call of £25,000 looking to the depressed state of the financial element, the directors had gone down to their present price under the influence of the late market. The directors thought it unadvisable to continue with those conditions, especially as they all knew, from what was stated at the meeting, a sum of £60,000 was locked up, and would be locked up for a considerable period. He and his colleagues were anxious to get anything from the proprietors, but would give all the information they might be desirable. The solicitor was present, and he was shown a memorandum of agreement *in extenso*, and from that they were in the exact position in which they were placed. He could assure them that everything had been done to protect the interests of the company, as he believed, would give their general support to the arrangement. The solicitor would now read the agreement referred to.

The solicitor then read an outline of the basis of the agreement between this company and the Oriental Commercial Bank.

The Chairman said he would move the following resolution: "That the Financial Corporation, Limited, shall be amalgamated with the Oriental Commercial Bank, Limited, pursuant to the terms and conditions of the memorandum of agreement dated the 24th of March, 1896, by certain directors on the side of the bank, and of the shareholders of this company." (Cheers.)

Mr. Bevan said, perhaps the solicitor would state whether the agreement he had read was the same as that mentioned in the circular to the shareholders. He did not remark any reference to the limit of the call.

The solicitor said that that was the construction put upon the agreement. There were no words in the agreement to show that that was the case.

Mr. Bevan thought it of vital importance that they should be clear as to what they were about in making themselves over to the Oriental Commercial Bank. They should know that under no circumstances could the 6s. 8d. per share be called up. It might turn out that the call would be called up. The document ought to set forth clearly the construction intended. He did not come there at all to oppose the amalgamation. On the contrary, if carried out in a business-like way, he approved of it. (Cheers.) He must leave the management of the affairs of the company by the directors. There seemed to have been two businesses going on at the bank. One was the business of the company, the other the business of the directors. He was rather pleased to hear the chairman invite discussion. He would avail himself of the invitation, and ask whether a consideration had been given to Mr. Thomas Goodson for the loan of £25,000 for Eastern debentures for six months. The £25,000 was given to the Eastern debentures were deposited with the National Discount Company, and an advance of £20,000 was obtained. If the directors were doing business in this sort of way, it was obvious their business was of the most risky possible character. He would further ask

ing director was upon a very large number of bills of company, and whether £31,000 worth of securities had been lent to the managing director and another director in

must say he was rather surprised to hear there was a further call of an indefinite amount. He was not opposed to the amalgamation, but he believed the utmost that could be expected to pay was 6s. 8d. per share.

He stated that the object of the meeting was to adopt or reject the amalgamation, and not to go into an inquiry as to the state of the company. He was prepared to approve of the amalgamation if the directors could give them an assurance that there would be no further call of more than 6s. 8d. per share.

He thought it desirable that the amount of the call should be clearly understood.

Mr. Alfred (the managing director) said he would try to do what was best for the company that had been put. With respect to the personal matter of Mr. Thomas Goodson, some few months since, when Mr. Goodson, to whom they had advanced £50,000, became the chairman and told him he was afraid they had to go without going about begging and endangering their position as chairman for his assistance. At that time money was scarce, and there was a great difficulty in getting large amounts of money. Mr. Goodson asked Mr. Goodson if he could help them, and his brother had a large sum invested in Great Eastern and he would lend those securities that we might use to meet our bills. The whole of the £2,000 commission on the advance and discount, was paid by the Rolling-Stock Company to the Financial Corporation. (Cheers.) It was paid by the company in a bill, which was not met, because they had no engagements, but it did not follow that there was any loss in the transaction. (Hear, hear.) With respect to the guarantee, he had such abundant faith in the Financial Corporation that he had given his personal guarantee of £31,000. (Cheers.) He believed that to be a sufficient guarantee. He had only one motive, and that was to prevent the necessity of calling the money from the pockets. He had never received from the corporation (loud cheers)—nor had he any claim upon them, except in having done this. (Cheers.)

He said if Mr. Bevan had been a director.

He would rather let bygones be bygones, as he did not believe in coming here for the purpose of damaging the character of the directors would not shrink from any question he was asked. With regard to the agreement, he must say that the negotiations with them, and after many meetings, in the end this company showed the greatest anxiety to do the best for their shareholders, the terms were reduced to what was altered from time to time as discussions arose, and which was submitted to them in the circular. There was no doubt. It might happen that 6s. 8d. would be the call, or that it would be 13s. 4d. He did not see how it could be otherwise, as had been mentioned. The directors were under the impression that the securities would realise 20s. in the pound, and if they

did, that would cover all possible deficiency. He should, sorry to deceive them; there might possibly be 3s. 4d., 6s. 13s. 4d. (Cheers.) No man living can possibly tell what may happen in twelve months. (Cheers and laughter.)

After some further remarks by shareholders, the resolution was carried unanimously.

Resolutions were also passed to wind up the Financial Committee voluntarily, and to authorise the directors to take all the necessary steps for the purpose of carrying the amalgamation into effect.

A vote of thanks was passed to the chairman and directors, and the proceedings then terminated.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA

THE eleventh ordinary general meeting of the proprietors was held on the 12th April, at the London Tavern, Bishopsgate, A. Mitchell, M.P., in the chair.

The report of the directors, which was taken as read, was as follows:—
 "The general balance-sheet for the year ended 31st December 1900 presented to the shareholders, exhibits a net profit of £104,820, which has to be added the sum of £13,061. 14s. 4d. carried over from the previous year. After deducting the half-yearly interim dividend declared on 5th October last, amounting to £54,540, there remains a possible balance now of £63,349. 12s. 9d. The directors regret to feel under the necessity of setting aside a sum of £22,000 to provide for doubtful debts, chiefly attributable to the recent depreciation of the produce held as collateral security. Out of the sum of £41,349. 12s. 9d. remaining, they recommend the shareholders to declare a dividend for the half-year ended 31st December last, at the rate of 10 per cent. free of income tax; and which, with the previous half-year's dividend, will amount to 12½ per cent. for the whole year. £1,349. 12s. 9d. will then remain to be carried over to the new year. At the last annual meeting, the directors reported that the previous issue of 7,800 new shares had been received; and they have to state that all the calls in furtherance of this increase of the bank, amounting to £800,000, were duly paid up—the reserve fund now stands at £105,000. The directors consider it extremely desirable for the bank to obtain for the shareholders the right, which many banks and all companies incorporated by act of parliament are entitled to, of re-electing immediately all the directors duly qualified, who retire annually by rotation; the existing charter of this bank restricts the shareholders' choice to the re-election of only one of the outgoing directors. The opportunity of this application to the Treasury would also be to solicit that the directors may make provisional appointments to fill vacancies in their number during the year—such occasional appointments being subject to confirmation by the shareholders at the next ensuing general meeting. They propose, accordingly to apply to Her Majesty's Treasury for those privileges; and in terms of the deed of settlement, extraordinary general meetings of the shareholders must be called on the application. After dispatch, therefore, of the business of the bank on this day, it will be constituted an extraordinary one for the objects indicated. Under clause 84 of the deed of settlement, the directors who now retire by rotation are but two—Mr. W. S. Lindsay

Macnaughten—and, only one being immediately re-eligible, Macnaughten offers himself to the choice of the shareholders. Mr. Macnaughten and Mr. Joseph R. Morrison, who went out of office last year, were the candidates for the direction. The auditors, Mr. Alderman Mr. Jonathan Thorpe, now complete their annual term of office, and offer themselves for re-election."

LIABILITIES AND ASSETS, 31ST DECEMBER, 1864.

Capital paid up in full	£800,000	0	0
Reserve fund	105,000	0	0
Due by the bank, including bills payable, notes in circulation, money deposited, and current accounts	4,053,558	6	9
Profit, net balance of profit, after paying all current expenses, directors' allowance, income-tax, &c.	63,349	12	9
	<u>£5,021,907</u>	<u>19</u>	<u>6</u>

Assets in hand, and cash at bankers', at the head office	£799,328	19	6
Securities	281,090	10	9
Loans, including bills receivable and loans	3,907,056	3	7
Furniture, and office and house furniture at head office	34,432	5	8
	<u>£5,021,907</u>	<u>19</u>	<u>6</u>

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER, 1864.

Eleventh dividend, declared this day, being an interim dividend for the half year to 30th June last, at the rate of 15 per cent. per annum on 32,200 original shares	£48,300	0	0
Twelfth dividend of 16s. per share on 7,800 new shares	6,240	0	0
Balance of profits at this date	63,349	12	9
	<u>£117,889</u>	<u>12</u>	<u>9</u>

Profit brought forward from last account	£13,061	14	4
Net profits for the year ending this day	104,827	18	5
	<u>£117,889</u>	<u>12</u>	<u>9</u>

PROFIT AND LOSS—NEW ACCOUNT.

Amount written off to meet bad and doubtful debts	£22,000	0	0
Proposed dividend (twelfth) for the last half year, at the rate of 10 per cent. per annum	40,000	0	0
Balance carried forward	1,349	12	9
	<u>£63,349</u>	<u>12</u>	<u>9</u>

Cr.

1864.

Dec. 31—By balance brought down

1865.

March 22—By balance

The Chairman, in moving the adoption of the report, observed that the result of the half-year ending had not answered the expectations which had been held at the meeting. The crisis in England had then only commenced, and had resulted in enormous failure in the east, and, in what affected more, in the depreciation of East Indian produce—tea, sugar, and opium—on which the bank held security, it being its business to hypothecate on such produce, and it had suffered accordingly from the failure of houses by whom bills were drawn, and by the fall in the price of the produce. The loss of £22,000 mentioned in the report was estimated, after careful examination by three of the directors, to be with the trade of the east, not down to the 31st December, but to the 15th March—(hear, hear)—and he believed that it was a complete loss down to that time. What further losses might be incurred he could not say, for the crisis was not over; houses connected with the bank were still falling, but he could say positively what the loss was to the 15th March. He would not specially and by name mention any house by which there had been a loss; but he desired to mention the case of Mr. John Gladstone, who had been one of the directors of the bank, there had not been a loss of a shilling by him. (Hear, hear.) In the case of a house from which the bank had bills to the amount of £20,000 secured on produce, the debt had been reduced to £10,000, and when some loss on the produce realised, that had been met by the directors of the bills, who had paid the difference, and eventually the loss would be sustained. Another serious drawback to the profits of the bank in the last six months was the high value of money, which had made a difference to the bank of £20,000, which must be deducted from the profits, and thus had tended to reduce the dividend. Nevertheless, the state of the times, when the bank was enabled to pay on the 31st December 5 per cent., it was not so very bad. (Hear.) The government securities taken over by the bank, amounting to £280,000, had been taken over at their actual market value, but other securities on land, buildings, and ships, taken over at their cost, although they could be realised at double their cost. There was property which had been acquired at Kurrachee and Rangoon, which could be realised at a handsome profit. With reference to the future, the directors had inculcated caution on their agents, and were especially on cotton. Speaking his personal opinion, he thought that any week might bring a statement of the close of the American cotton crop, which would be followed by a reduction in the price of cotton; but from his personal experience in the case of linseed and other Russian oils during the Crimean war, he believed that a trade like that which had now been established in India, would continue to supply. As regarded the position of the branches of the bank, he was glad to say they had not suffered. There was an increase in their deposits, and a good credit; so that looking to the affairs of the bank he was very satisfied and nothing but prosperity. (Hear, hear.)

Mr. Bell, a director, seconded the motion.

ns from shareholders,
that, unsolicited, the shareholders had last year raised
the directors from £2,500 to £4,000, and they had
The only reason why the names of the directors
in the advertisements of the bank was a consideration
was no objection on the part of any of them to have
it, and as it seemed to be the wish of the meeting, it
re. There was no intention of increasing the capital
issue of new shares, there being no want of capital.
n agreed to, as were resolutions declaring the divi-
retiring director and electing two others, and re-elect-

en made special for the purpose of authorising the
apply to Her Majesty's Treasury for a removal of the
4 of the deed of settlement, by which the shareholders
election of only one of the outgoing directors annually ;
the court of directors to fill up temporarily any
n their number, subject to confirmation by the share-
half-yearly general meeting ; and for the purpose of
alterations by authorising the court to apply for and
l charter, or to adopt a supplemental deed of settle-
approval of Her Majesty's Treasury, to take such other
sary.

taken to the second clause, authorising the temporary
ctor, and an amendment against was proposed ; but
was put to the meeting and carried by 35 to 11.
e of thanks the business concluded.

ENTAL BANK CORPORATION.

al general meeting of the proprietors of the above
on the 20th April at the bank, Threadneedle Street ;
rdon in the chair.
e Stewart, the chief manager, read the following

ment of affairs and balance-sheet for the year 1864,
directors for the information of their co-proprietors,
he corporation for that period to be £206,089. 18s. 4d.
t expenses, and providing for all bad and doubtful
of 8 per cent. for the half-year ending 30th June,
bed £100,800 of the profits, leaving £105,289. 18s. 4d.
distribution, out of which it is now proposed to pay
of 5 per cent., and a bonus of 3 per cent., making,
ment, a distribution of profit for the year 1864 equal
capital of the corporation. The present dividend
to £2 per share, will be paid, free of income-tax,
proximo, at the office of the corporation ; and after
been provided for, there will remain a balance of
carried to the credit of the next account. The com-
missioners of her Majesty's Treasury having been
e of capital, a further issue of £25 shares was made

on the 20th May last, and the same were allotted to then registered on the books of the corporation in the p in six. These shares were issued at a premium of a premium was carried to the credit of reserved fund; and have the satisfaction to report that the entire amount has up, making the capital of the corporation £1,500,000, and £144,000. The operations of the past year have not res ably as those of 1863; nevertheless, having regard to the commercial and monetary affairs during the period und directors have good reason to congratulate the shareholders precaution in restricting credits and limiting business, reducing the dividend, has prevented much actual loss which wise have arisen, and has diminished the prospective attaching to current transactions in times of difficulty. Those retire by rotation are—Mr. Gordon, Mr. Mackenzie, and Mr. being eligible for re-election, offer themselves accordingly with pleasure recommend the proprietors to re-elect them. the duty of the meeting to appoint two gentlemen to be year 1865."

The Chairman, after declaring a dividend in accordance payable on the 1st of May, said: Gentlemen,—When v October last we were passing through the first stage of tunately turned out to be one of the most severe and di that has occurred for many years in commercial and m and I am very much afraid that the crisis is not over, be counteracted by the extension of business and th given to the general tone of commercial interest mination of the civil war in America, of which now to be some prospect. Be that as it may, we that mischief was coming, and we took every pre power to restrict our credits, and to limit the busin poration both here and abroad. Like our neighbours, v experience some losses, but I am happy to think that owing precautions that were taken we have suffered much less wise should have done. As a proof that these are not me mention, with regard to four of the largest failures wh place, with liabilities amounting in the aggregate to ab that although some eighteen months ago we held a very l the paper I do not think we are likely to lose a thousand p immense failures; and notwithstanding that all the losses h provided for we declare a dividend which is I consider satis rate of 16 per cent. per annum. In addition to the direct have had to provide for I cannot overlook the indirect e upon our profits by the very serious competition which experiencing at the most important seats of our busin readily believe this when I tell you, for instance, that v presidency of Bombay alone there were some two or t only one bank, and some four or five bank agenc at the present moment no less than twenty-three ban ing agencies, besides ten or twelve financial establish are all competing with us. People say the business has it has; but with such competition as we have to conta holders may easily imagine that the margin of profit is cor tailed. However, there is nothing to dishearten us in these t

connection which we possess, with our large means and commercial credit, we shall be able to maintain our business on all corners. In the circular which you have in your hands made to the issue of shares which took place in 1864, and our reserve fund are now respectively £1,500,000 and £1,200,000. The distribution of the new shares at the rate of one new share for every three old shares absorbs 8,400 shares, leaving a balance of £1,200,000 appropriated at the discretion of the court. I am now of opinion that the 1,200 shares have been appropriated, and I confidently approve of the course which has been pursued. We have also created a fidelity or guarantee fund, which was made up of contributions of the officers. The primary object of this fund was to be used with the usual mode of guarantee, and to make good the claims of our guarantors; and a second object was to complement the fidelity fund with an allowance or pension fund. The staff serving in all climates; sickness and death at any time must come when in such an establishment as this, and the claims arising from such contingencies. We have divided those two funds in such a manner as, without making any sacrifice, to make the provision which we think is deservedly made by our establishment. Occasionally, at our meetings, the directors have been urged by shareholders to take advantage of the services of the staff; and although I think it is not wise to do so with the executive (who are alone responsible) for the economy of the establishment, we have given every attention in our power, and what I am proud to say is a proof of our regard for the welfare of our clerks. The amount amounts to a considerable sum, but it is still inadequate to the purpose of a guarantee and an allowance. We have, however, by availing ourselves of the issue of the shares to make good any great sacrifice on your part; for had we not done so, we should have given new shares for every old share, which at the present time would have cost 2s. per share. The court have, therefore, allotted the guarantee fund 1,200 shares at the same price at which the shareholders, namely, £45 per share. The amount amounts to upwards of £54,000, and after the payment of the same, the sum will remain at its credit. Apart from the effect of this measure, from every point of view, I am quite certain it is likely to have a beneficial effect. It associates our staff indirectly with the shareholders, and it will induce them to increase their interest in the general welfare of the corporation. One of the objects which you have in your hands. Let me first of all mention the cash deposits bearing interest. Notwithstanding the low rate of interest which has prevailed during the last twelve or fifteen years, we have never altered our rates of interest, always at a low figure—the cash deposits show a slight increase. There is a considerable falling-off in the amount of deposits due to the corporation—a falling-off of upwards of £1,000,000 from the precautionary measures taken by the shareholders in case of our risks. I do not think there is any other measure presented which requires any comment from me. I have only to mention in terms of merited eulogy the conduct of the management. All of you who are conversant with what is going

on in India and China must be aware of the extraordinary have recently taken place in those countries. The manager requested permission to go there in order that he might see the changes which had taken place, and introduce such in the arrangements as circumstances required. He left home of November; he visited Bombay, Ceylon, Singapore, Hong Kong, Shanghai, and on his way back he had an opportunity of consulting the managers of some of the branches which he could not visit to the Peninsular and Oriental Company, he returned home bringing a good report from the land, and I doubt not to the benefit by the valuable and important journey which he made. I have nothing to add beyond moving the adoption of the accounts, and declaring my readiness to answer any questions. (cheers.)

A Shareholder wished to know what amount of money had been lost through defaulting clerks.

The Chairman said they sustained a loss of £1,200 by the default of a clerk in Ceylon, but nothing beyond that.

The report was then put and carried unanimously.

The retiring directors were afterwards severally re-elected, and after some other routine business a vote of thanks to the chairman closed the proceedings.

STANDARD BANK OF BRITISH SOUTH AFRICA

THE third ordinary meeting of the proprietors of this bank was held on the 21st of April, at the London Tavern; Mr. John Pater was in the chair.

The report for the half-year ending the 31st of December 1891 was read.

"The experience of the past year has satisfied the directors that those institutions will at all times command public confidence, and that their prosperity reserve a considerable portion from their profits whereby speedily to produce such accumulated fund as shall afford ample guarantee of safety, as well to constituents as to the bank. Although, therefore, the net profits from the business amounted to the rate of £12 per cent. per annum, the directors recommended that more than about two-thirds thereof, or at the rate of 8 per cent. per annum, be divided; the balance to be carried to reserve fund. In the annexed statement of accounts it will be seen that the total gross income of the company for the half-year, including £30,640. 10s. received from the sale of new shares, and £2,647. 7s. 6d. brought forward from previous year, amounted to £77,417. 16s. 5d., and after payment of expenses and making provision for all bad and doubtful debts, and allowance for interest on all bills discounted but not due, there remained an available balance of £58,079. 4s. 1d. for disposal. This sum the directors recommend should be applied as follows, viz.:—To divide among the proprietors at the rate of £8 per cent. per annum on the value of their respective shares, £17,862. 13s. 4d.; to proportionate part to amalgamation and preliminary expenses account, £2,000; to reserve fund, £36,000.; to balance carried forward to profit and loss account, subject to payment of income-tax, and remuneration of auditors, £2,009. 6s. 8d.; total, £58,079 4s. 1d. In accordance with the articles of association two of the directors, viz., Alfred

Esq., retire from office at this meeting, and, being themselves for re-election. The auditors George Harvey and Thurburn, Esq., also retire from office at this meeting, eligible for re-election, they offer themselves

moving the adoption of the report, said that the statement given in so detailed a form that there was very little to be said from him. The directors had carefully separated the bank post bills. The issue of notes had been something like the issue of bank post bills £27,800. On the issue of bank post tax, and all the rest was profit, so that taking it at the rate from that source a profit of £8,000 per annum. On bank bills the profit must be made through the management dependent upon the skill of the manager. No doubt a manager might make a considerable sum of money for himself through the means of bank post bills. The board had facilities upon deposits and current accounts from the bank amounted to £472,602, and the latter to £320,054. The profits increased during the last half-year so much as could not be readily understood that it was not likely they would be allowed for them was only 6 per cent., and when the rate was at the rate of 8 per cent. at call. It was gratifying to find that they had kept up as they had done. One or two of the bills had been withdrawn in order to realise a larger profit, but there was no doubt that, considering the small amount of money, the deposits would from this time begin to show the profits of the past half-year had been rather small. The circumstance that the charges made for printing and stationery, &c., were paid on the Cape colony account at Christmas, and, therefore, the proportion of the charges had fallen upon the previous half-year was charged in the sum of £2,600, set aside at the last half-year to meet the end of the year was amply sufficient. During the year they had earned as nearly as possible 12 per cent. on the capital, which was thought a very fair return. (Hear, hear.) He thought that the Cape of Good Hope was much safer than it was in any other part of the world. The institution which they took the Bank of Port Elizabeth, during the 15 years of its existence, had bad debts exceeding £1,000, and nothing but the management of the part of the manager at the Cape could lead to such a loss. The fact was that in the small towns of the Cape the circumstances of each individual were very well known to a great extent, that if a bill were presented to the bank for discount, the manager could tell at a glance whether it was a good bill or a real bona fide acceptance. The manager, therefore, could bring any paper brought to him with the greatest certainty, without the possibility of loss to any great extent. It had been the opinion of the Standard Bank was risky on account of the number of branches, in his opinion it was a safe bank for the very reason that it was in small towns, where the circumstances of the business and the accommodation were well known. The danger which was in large towns, where parties were able to conceal their transactions, the manager could not form a correct judgment re-

specting them. In small towns, however, nothing but the incompetency on the part of the manager could lead to a heavy loss in two or three large towns of the colony that they were anything like risk, and then the risks were not greater than in second and third rate towns in this country. He wished to stand distinctly that the class of business which the bank transacted was a perfectly safe and sound class of business, not speculative in its character than any banking business with which he was acquainted, and if with such a class of business they could get equal to 12 per cent. he thought he might congratulate both himself and himself upon the value of the property which they possessed. (hear.) On the credit side of the account they would perceive that there was an item of £9,009 on account of unpaid calls not received at the end of the year, which arose from the fact that the call was made in the month of December, and very little time elapsed before the accounts were closed. The whole of that amount was now paid with the exception of one or two cases, and in which interest at the rate of 12 per cent. was charged on the unpaid call. He explained that the unpaid call was due from a large shareholder, and the board had decided that it was their duty to forfeit the shares, although it was in their power to waive it. He did not know that the accounts required further explanation, but they did he should be happy to afford it in reply to questions from the shareholders. The legislature of the Cape of Good Hope had passed what in his opinion was a foolish law, by which a tax was imposed upon foreign capital. That might be wrong in principle, but they actually taxed, not the nominal capital of institutions of this kind, but the real capital. He thought it was right. Now, the nominal capital of this company was £1,000,000, and there was no necessity for its being so large, and the directors were of opinion that it should be reduced to the extent of reducing the nominal value of the £25 share, of which £10 should be paid up, or in other words the nominal value of the share should be reduced to £15, and the liabilities of the company should be reduced to £10. There were two great objects to be secured by this reduction. The first place it would be a saving to the institution, and avoid the necessity of government upon it to something like the amount of £750,000. The second place it would relieve the shareholders from any responsibility to the public. It would be a fair responsibility. It would readily be perceived that the shares having only £25 paid up was practically to place the shareholders in the position of shareholders in an unlimited liability company. The position now proposed was to limit the liability of each shareholder to £10, which would give still greater security to the public than was the case when the company was called the chartered companies, which simply rendered the shareholders responsible to the extent of double the nominal value of the capital; whereas it was proposed that the shareholders should be responsible to the extent of three-fifths of the nominal value of the shares. Instead of half, as in the other case; besides which, the nominal value of the shares they would probably largely exceed, and thus prevent the fluctuation of the number of their shareholders, and thus prevent the fluctuation of the value of shares, which was always a matter of complaint, and which was very undesirable to prevent. In order to carry the measure it was necessary to re-register the company, because, unfortunately, there was an omission in the statute, which no doubt would be remedied, but permission was given to increase the nominal value of any company, but no permission was given to reduce it, which could only be done by making a special application to the legislature.

re-registering it. The alteration in this case was very
ed to re-register the company under the title of the
ish Africa, to pay off all liabilities, to absorb this
y, to take back the present shares, handing the share-
es, with £10 paid up for every single share they now
. He trusted that these views would commend them-
, and, if so, the directors would lose no time in taking
carry the proposed change into effect. He concluded
on of the report.
ended the motion.

ion,
that the Board of Trade would refuse to re-regis-
the simple application of the directors. If, however,
at it was the wish of the shareholders, they would
l the board wanted to do that day was to obtain an
in favour of the proposition, and if it was obtained
be sent to the shareholders individually, and their
the proposed change obtained, the result, of course,
general expression of opinion by the shareholders.
at if the present company were wound up to-morrow,
uld get some £2 or £3 more than his £25. The
any in April were £20,000, and the reserve fund was
e would be at least £40,000 to divide. The board
th respect to what would be done in the event of a
eholders only objecting to the alteration, though he
that any objection would be offered to a course which
vantageous to the shareholders. (Hear, hear.) In
stion, he added that the shareholders, both in this
pe, would have each about three weeks to consider
after the letter asking for their assent had been

dered the reduction of the nominal capital a most
l stated that the present high nominal amount of the
revent small investors from entering the company.
s been obliged to pass over this company when asked
ments, on account of the high nominal shares as
aid-up capital. At the present nominal value few
en 100 shares. He suggested whether £50 nominal
up would not be better than £25 shares with £10

ied that the matter had been fully considered, and,
een found that the two African banks which en-
ence, and consequently in which the largest amount
d, were both institutions in which the proportion of
pital was as three-fifths to two-fifths.

ed the attention of the board to the sum of £2,009
f forward, subject to the payment of income-tax and
directors and auditors, and inquired whether the
e £1,000 of the £1,200 voted at the last meeting for
olders might direct?

l that the board certainly understood that it was
uneration, and they had taken it, but they were most
uneration should be voted yearly by the share-

holders, and an opportunity would be given to submit question at that meeting.

In reply to Mr. Webster,

The Chairman stated that the preliminary expenses, which originally, had been reduced to £1,700, and that although given as the time for paying it off in annual instalments, tended paying it off in less time.

The report was then put, and carried unanimously.

The Chairman, in moving the adoption of the dividend, alluded to the fact that the profits realized in the Cape year had not been so large as usual, from the simple fact in every other part of the world money had been extremely cheap, it had been extremely cheap, and, consequently, the Cape it had been extremely cheap, and, consequently, the Cape earned from 3 to 4 per cent. less than previous years.

The motion having been adopted,

Mr. Bale moved, and Mr. Sprague seconded, the re-election of Mr. Paterson and Mr. Jarvis, the retiring directors, who were elected.

After a short discussion, the sum of £2,000 a year was agreed for the remuneration of the directors.

The auditors were then re-elected, and £50 each awarded for their remuneration.

On the motion of Mr. Whitford, seconded by Mr. M'Ror, a resolution was carried unanimously:—"That the directors be authorized to take the necessary steps to register the new company and title of the Standard Bank of British Africa, Limited, of £1,000,000, in 40,000 shares, of £25 each, and to take such steps for the passing of this company into such new company."

Cordial votes of thanks to the managers and directors in connection with the London board, were accorded by the meeting, and the Chairman concluded the proceedings.

SOUTH EASTERN BANKING COMPANY, LIMITED.

AN extraordinary general meeting of the shareholders of the South Eastern Banking Company, Limited, was held on the 21st April, at the offices, 60, Gracechurch Street, London, for the purpose of considering the following resolution:—"That the company be changed, and that in lieu of South Eastern Banking Company, Limited, the name of this company shall be English Joint-Stock Bank, Limited."—Mr. Lawrie in the chair.

The Chairman said he was sorry to trouble the shareholders to attend the business before them was a formal matter; but it was necessary that they should attend, and not the fault of the directors. The directors were sanctioning the change of name to that of the Counties Joint-Stock Bank there had been a correspondence with the Bank of England, whose sanction was required, on the subject.

Mr. W. Walter, the secretary, read the correspondence which it appeared that the London and County Bank objected to the change of the name as previously sanctioned by the shareholders, of the Counties Joint-Stock Banking Company, on the ground that the name was similar, and that their bank was known in the Bank of England clearing-house as the Counties Bank, and on other grounds.

the various objections, but the Board of Trade regretted that it could not sanction the change of name as proposed, stating that it was a question of law, but one of discretion, which rested with their

chairman observed that under those circumstances they could do nothing. The next course was to select some other name for consideration and discussion. Before submitting the name now proposed the chairman had stated that they would sanction the name if approved by the shareholders. He then moved a resolution that the name of the bank be changed to that of the English Joint-Stock Bank, Limited.

The resolution was seconded, which was unanimously adopted. The chairman, Sir William Russell, Bart., M.P., had just been elected director of the bank.

Thanks were passed to the chairman, and the meeting adjourned.

CREDIT FONCIER AND MOBILIER OF ENGLAND, LIMITED.

The annual meeting of this company was held on the 20th of April, 1865, at the Tavern; the Right Hon. J. S. Wortley in the chair.

The Chairman (Mr. J. Lowe) having read the advertisement calling the shareholders to meet, the following report was taken as read:—

Balance sheet, from 30th September, 1864, to 8th April, 1865. Dr.: Capital authorised, £4,000,000 in 200,000 shares, £20 each; to capital paid up, £2,000,000, in 100,000 shares, £20 each; to capital paid up, 56,033 shares, £5 each, £280,165; on 56,033 shares, £3. 10s. 15d. (together £415,950. 10s.); received in advance, on instalment due 10th April, on 56,033 shares, £8,802; less previous instalments, £158; to bills payable and sundry credits, £3. 10s. 7d.; to depositors, loans, &c., £554,476. 7s. 2d.; to balance—balance at credit of this account, carried down (which includes £100,000, amount of old "Credit Mobilier" and "Credit Foncier" shares, and £160,296 received for premiums on carrying out amalgamations of those companies, £394,024. 16s. 4d.; to guarantees—City of London, &c., and sundry liabilities, per contra, £812,075—£1,479. 4s. 1d.

Cash at bankers, £43,345. 4s. 7d.; by cash on deposit of call bills receivable, securities, loans on securities, and sundry bills, £25,492. 15s. 6d.; by building, office furniture and fittings account, £7. 7s. 3d.; by preliminary expenses, £7,183. 16s. 9d.; by City of London, debentures, and sundry debits, per contra, £1,609,479. 4s. 1d.

Profit and Loss Account from September 30th, 1864, to April 8th, 1865. To amount set aside for reserve fund, carried forward below, £100; to building, office furniture and fittings account, amount £8,457. 7s. 3d.; to preliminary expenses, amount written off, £9d.; to dividend of 10s. per share, and bonus of 10s. per share, on 43,967 shares, £5 paid (equal to 40 per cent. per share), £3,967; to dividend of 5s. per share, and bonus of 5s. per share, on 56,033 shares, £3. 10s. paid (equal to 40 per cent. per share), £3,016. 10s. (making together £71,983. 10s.); to income-tax on

above dividend and bonus, £1,799. 11s. 9d.; to balance un-
 forward below, £34,600. 10s. 7d.—total, £394,024. 16s.
 amount brought down, being net balance to credit of
 account (which includes £40,000, amount of old "Credit
 "Credit Foncier" reserve funds, and £160,296 received
 on carrying out amalgamation of these companies), after
 current expenses, advertising, salaries, and all expenses
 printing, stationery, directors' allowances, &c., &c., £394,
 "Reserve Fund.—Cr.: By amount set aside this date
 £200,000.

"Dividend Reserve Fund.—Cr.: By amount set aside this
 fund, £70,000.

"Profit and Loss New Account.—Cr.: By amount
 brought down, £34,600. 10s. 7d.

"In handing to the shareholders a balance-sheet, showing
 of the company's affairs, the directors have to congratulate
 results of the half-year's operations. By the figures shown
 ment annexed, it will be seen that the great exertions made
 past half-year have not been without commensurate results
 of profit and loss account showing a net sum available, after
 charges and expenses during the past half-year, of £394,024.
 will be seen, however, that in this large amount is included
 £40,000 received from the old Credit Mobilier and
 companies (being their reserve funds), and the sum of £160,
 of premiums received on the issue of the new shares of
 making together a sum of £200,296, leaving, therefore, £193,
 as the net sum earned by this company during the six months.
 The directors have had under their careful consideration
 of dealing with the amount at their disposal, and in the decision
 they have arrived they have especially directed their attention
 the company on a firm basis. While meeting the just expectations
 shareholders in the amount of the dividend which the directors
 should be declared at the ensuing meeting, they have prominently
 in mind that there is no way so sure of maintaining and increasing
 scale of profits as that of commanding public confidence, by the
 of a large reserve fund; they, therefore, have decided to set aside
 £200,000 to that purpose. In fixing the dividend at 10s. per
 £5, and 5s. per share on the £3. 10s. paid, equal to 20 per cent.
 annum, the directors believe they have placed it at such a level
 fairly be counted upon as a minimum dividend; they further
 that in every half-year, when the profits will admit of a large
 such increase should be made in the shape of a bonus, which
 instance, is fixed at the same amount as the dividend. In the
 a distribution equal to 40 per cent. per annum on the
 capital paid up. To further show their great desire to secure
 the results of the minimum dividend of 20 per cent. per annum
 being always maintained, they have decided to form a fund to
 be called the dividend reserve fund, such fund to be maintained
 at the amount necessary to pay one year's dividend on the
 per annum on the capital for the time being paid up; this is
 the paid-up capital of £500,000, viz., the sum of £100,000
 the directors have, out of the profits of the present half-year,
 sum of £70,000, and they propose to complete the fund to the
 earnings; the effect of this will be practically to make

per cent. stock, and the action of the fund will be as follows, any half-year after the sum necessary for one year's dividend is paid up is reached, the profits exceed 20 per cent. per annum, provision for reserves, a bonus will be paid, at such a rate as we think it prudent to recommend; but should, from any excuse, the amount of profit not reach a sum sufficient to pay of 20 per cent. per annum, then the dividend reserve fund may supply any deficiency, and thus increased stability will be given to the fund, alike from its ample reserved resources, as well as from the reserve set aside beforehand by the shareholders of their minimum dividend. The fund, therefore, be used to ensure the dividend, whilst the reserve fund is available for any extraordinary occasions of loss or otherwise, without interrupting the revenue of the investor. The payment of the dividend and bonus, as mentioned in the balance-sheet (equal to 40 per cent. per annum), will absorb £71,983. 10s. The directors have decided to discharge the whole of the amount of the expenses incurred by this company, viz., £7,183. 16s. 9d.; they will also write off the items standing to the debit of building, repairs and fittings account, £8,457. 7s. 3d, and there will still remain of £34,600. 10s. 7d. to be carried forward to the next half-year.

During the past half-year there have been no special events to direct your attention beyond the remarkable change in the rate of exchange from the rate ruling when we last addressed you, nor does it seem at all to have reached its lowest point. A general depression to pervade the commercial classes, which in a great measure may be attributed to the apprehended contingencies likely to ensue from a sudden outbreak of the lamentable American war, the effect of which, it is thought, will derange the monetary basis of the whole world. It is upon what ground such reasoners argue, except upon that ground, that the requirement of gold for shipment, in exchange for goods, will be so large as completely to disorganise the money market; but, however, dispel much of what must be called the instinctive apprehension of the commercial public, and particularly that portion of it having a special branch, of any 'change' in the current order of things, though the state of affairs be chronically bad, and, both at home and commercially, unsound. In the event of a cessation of hostilities between the North and South, the natural conclusion must be that the United States will become enormous customers to this country and Europe for almost every description of manufactured articles. The country is relieved to be comparatively bare of supply, from the high rate of duty on the customs tariff, as well as the rate of exchange, which, coming to the United States, disturbs the equilibrium of calculations of merchants and manufacturers. As to the South, it is a known fact, though not always admitted by its partizans, that it is completely destitute of what may be called the necessaries of life. It is quite an open question, notwithstanding the undoubtedly great sums will be drawn for on this country from other causes, whether the balance will not be equalized by exports of goods from this side, even if a total sum in favour of the United States is not actually reached. That the feeling of doubt and want of confidence in trade exists, is proved by the large amount of goods floating on the market, but which are unable to find employment; that, however, the trade of the country is generally sound, is shown by various results, such as the Board of Trade returns, the general revenue of the country, and, in a certain sense,

by the sums the public, as such, have available for investment there is every reason to believe arise from surplus income. The *Credit Foncier and Mobilier of England* has within its sphere of operation, in fact, having introduced several new undertakings to the public, every case have been very successfully subscribed, and every reason to believe will give satisfactory results to the directors have been very solicitous, whilst bearing in mind the results necessary, to extend the influence of the company. It is happy in stating their efforts have not been made in vain. As shareholders and supporters many amongst the *élite* of the financial public, the result being daily offers of value, an extent much greater than the capital and present acceptance. The directors have no doubt, therefore, that profitable business will not be wanting."

The Chairman, in moving the adoption of the report, the last half-year's working fully bore out the statement. Although they had only arrived at the end of the first operation of the company in its amalgamated form, the Chairman attended it he thought might be fairly said to have put in a position which, as a commercial institution, was second to none. In the first place, congratulate them upon the result of the amalgamation between the *Credit Foncier* and the *Credit Mobilier*. The companies were kept separate. Strictly speaking, their distinctions in their operation, but when they came to the country it became the opinion of the directors, which was frequently sanctioned by that of the shareholders, that it should be carried on with equal facility if they were amalgamated. It has been found to be the effect of the amalgamation, for the distinctive character in each company, their operations were carried on by getting rid of shadowy distinctions, and they had been greater unity and vigour in the character of an amalgamated company. This company, like other financial companies, had not encountered difficulties—not so much from the nature of the business as from the want of information by the public of these companies. The commercial world was not with any more than any other classes of society. They were old enough to remember the prejudices which at first existed against joint-stock companies at all, and what alarm was created when the principle was first introduced into banking, and the still greater alarm when the principle of limited liability was introduced into the commercial world. Men would now refuse to admit that the principle of limited liability would not afford a greater security to creditors than the system of unlimited liability. On what ground, then, was there to be a prejudice against any financial companies? It was not that they were new in this country, but they had existed in other countries, and especially in Paris, for many years with great success. They had now had two or three years' experience in this country, and their progress and results had undoubtedly been encouraging, and there was every reason to suppose that they had been conducted cautiously, and with vigour and discretion, taking the most valuable institutions of the commercial world. That being the case, why should financial companies be regarded with suspicion? The great commercial houses in Europe were nominally private, but were essentially companies formed either by the junction

identity of feelings, or arising out of family connections, reaches in every capital of Europe. If they investigated the great private capitalists, who conducted financial operations, they would find that those firms consisted of small limited in number, but not as regarded liability. There was, nothing in the nature of companies like the present calculated to distrust. From those general topics he came to the results of his inquiries, and it was curious enough that in some minds—not very much in his opinion—the ability of such a company to pay a large dividend was in itself a cause of distrust. If, however, they had the opportunity of inquiring into the dividends of the large houses to which he belonged, he thought they would find that the dividends of this company were moderate, if not small, in comparison with the profits derived by other houses, therefore there was nothing to excite surprise in the commercial world if a great financial company like this was able to make large profits. At all events, it was a matter of common-sense on the face of the balance-sheet that they were able to give the shareholders a handsome dividend. (Cheers.) True it was that they had not given them more, but he thought they would agree with him that they had given as much as they ought in prudence and discretion to do so. (Hear, hear.) For although the prejudices of people against companies as this were unfounded and absurd, yet, if they were not met with discretion as well as firmness and vigour, undoubtedly they were dangerous, and therefore he thought that the very strongest recommendation which a society like this could stand was to lay by such a strong reserve as would give the public every confidence in the stability of the company. (Hear, hear.) With that view, having nearly £400,000 to deal with, he considered that the soundest policy it could adopt was to set aside £200,000, and that amount they would perceive had been carried to a reserve fund. There was, however, another mode of proceeding which he had adopted, not so much for the purpose of increasing the reserve fund, but to secure, as it were, something like a regular minimum dividend for the shareholders. That was a mode which had commended itself to them, and they believed that it was new to the commercial world, and it not only formed the basis of the reserve fund, but, as far as possible, protected the shareholders against any falling off in the dividend. They had intended to forward a sum of £70,000 to a fund to be called the dividend reserve fund, the operation of which was to increase the solidity of the company, and to protect the shareholders from any sudden falling off of dividend in consequence of any unexpected difficulty. In fact it would tend to limit the dividend to a minimum of 5 per cent. as an investment, and whatever excess there might be, was to be used to divide it in the shape of an additional bonus, as was done upon the present occasion. Without pledging themselves to any particular amount, which must of course depend upon circumstances, he trusted that the shareholders, if their business was conducted as well (without paying particular compliment to the board or to their very able managing director), the shareholders would be protected from any material diminution of their receipts for each half-year. He did not propose to enter into any details with respect to the various items in the balance-sheet, but if there were any points upon which the shareholders required explanation, or if his colleagues would be most happy to answer such questions as might be put. The board invited inquiry, but at the same time it was that they should not press their inquiries too far. Secrecy, it

had been said, was the very essence of success in finance. At that length it was manifest that it would be impossible for a house, or partnership, or company, to gain the great profit expected from the directors of this company if they showed the whole world. If they let everybody with whom they dealt exactly how they dealt, they would soon be able to realise it. The shareholders must have a certain amount of confidence. Of course if shareholders were not satisfied they had two remedies: they might either sell their shares or displace the directors. If they had confidence in the management of the company by the directors, they treated them not to push their inquiries too far. They were satisfied with the affairs of a company like this on which inquiries might be made, and on such points the fullest information would be given. They would perceive by the report that they had made great profits, and hoped would not in their minds excite alarm or prejudice. Those profits, however, must to some extent be considered as derived in great part from what might be deemed by some to be an unusual source. They did not disguise that a large portion of their profits came from commissions on operations of rather an exceptional character. They meant bringing out companies for the purpose of effecting great results. That was no doubt a class of profits which formed the bulk of the profits earned in the course of the half-year, and some persons thought that this source of profit could not continue. He could not say that to that conclusion himself, being inclined to think that the joint-stock operation had not yet extended itself to anything like the extent, notwithstanding the present apathy which prevailed, that there would be many wholesome legitimate and useful operations brought out by their nurture. There was one thing, namely, that they nursed none but strong babies, whom they hoped would grow up to be bodied men. (A laugh.) He must, however, say that he looked forward to the time when in addition to that class of business they would have more regular everyday business; but they might depend upon it that they would do no business whatever upon which they did not have confidence. He saw no reason why they could not combine that business with the more exceptional operations, perhaps, but on which they made their profits. He could not let this subject pass without saying that the directors on the right and left (the deputy governors) as well as the managing director, have distinguished themselves by their talents and the talent which they had manifested in conducting the affairs of the company. No doubt they would have detractors, whatever motives which animated them, but he felt bound to bear witness to the debt of gratitude which this association owed to the ability, energy, and integrity of their managing director. He was personally, from daily attendance at the office, of the unwearied and untiring energy of that gentleman. With respect to the operations of the company, all he could say was that there was every prospect that they would be able to carry on their business on the same magnanimity which they had commenced. He hoped that shareholders would get away with the idea that the prices of shares, as quoted in the market, were anything commensurate with their real value. In conclusion, he said that the board had been devoted to the business of the company, in attendance, and energetic and industrious in conducting the affairs. He begged to move that the balance-sheet and report be affirmed, and adopted.

and the motion. He was perfectly convinced that in a
find this company one of the greatest commercial
country.

For an explanation of the capital account.

He replied, stated that the authorised capital was
£2,000,000 only had been subscribed for; but that
the action empowered the directors to issue the remaining
portion of their business required it.

He asked upon what principle the assets were calculated?
He said it was impossible to state the principle upon which
the assets were calculated without disclosing transactions of a confi-
dential nature, the business of other people, which they were

He hoped, therefore, the meeting would be con-
fident in the assurance of the board, that the securities had been
carefully selected, they were of a most unexceptionable character, and
were taken in every instance under the market price.

He thought the directors might have given them more infor-
mation. He often asked whether the Credit Foncier and Mobilier
had made investment, and without knowing more of the
business of the company, it was impossible to answer the
question. He said in the balance-sheet the item of £812,075 in the
securities, city offices, debentures, &c. That was not an
asset, but rather a liability. With respect to the item bills
payable, none of them were overdue. [Mr. Grant—None.]
He said so large an item as £1,325,492 being put down as
debts, loans on securities, and sundry debtors, and
he could not be expected that shareholders should ask for an
account more than three times the amount of the paid-up capital.
He said the disastrous investments made by another com-
pany, the shares. It was true that the item might be all
debts, but the securities consisted in great part of shares in
which a loss arose, such a state of affairs would not be
satisfactory though it was true they had uncalled capital of
£1,000,000 back on. The shareholders ought to have
known, even when a large dividend was being put into
the hands of the chairman had himself told them that much of the
dividend had been made from exceptional sources, and he
thought shareholders would do well in placing a portion of the dividend
on capital. He could not shut his eyes to the fact that
the company might have been successful in their operations in
other companies, the time might arise when by means of
the company might sustain great loss. They were like share-
holders, and it was incumbent upon them every now and
then to advocate publishing all their affairs at a
public meeting, but he thought that a committee of shareholders
on whom the general body had entire confidence, to
be able to see that they were really sound. He pointed out
that they were paying interest upon at least £600,000,
in some way or other. He complained that the share-
holders were not treated with fairness by the managing director,
in the allotment of shares in companies they had
taken, while the Milan Company's shares, which were at a

premium, could not be obtained by anyone but the friends of the and managers, the Millwall Dock shares, which were at a discount freely allotted to applicants. He was well informed that the Exchange consistently refused to deal in the shares brought out by the company, because they had been caught in this way. (No, no.) concluded by asking the managing director, merely as he said for information, whether he had not changed his name.

This led to a most acrimonious personal discussion, in which Mr. Grant and the two deputy-governors defend Mr. Grant from being stigmatised as a disgraceful personal attack by an enemy and a man who held a stake in the concern of £25 only, and they bore the blame of the money to the integrity and personal character of the managing director.

Mr. Grant, in warm terms, defended himself against the attack. He had been made upon him, and defied the whole world to point out a spot or blemish upon his character. The real fact was that some time he did out of caprice change his name, but it was done from no bad motive whatever, or because he was mixed up in any transaction of a doubtful character. The fact was, that as manager of this company, acting in the interests of the company, he had made enemies, and it would not be worth his salt if he had not, because the moment any man, or class of men, began to speak well of him, the suspicion of the shareholders might well be aroused. He believed he had made enemies because he had consistently opposed, and certainly should continue to oppose, the allotment of shares to persons known as "stock market." He held his office of manager so cheap that the shareholders found it was the wish of the shareholders he should retire, he would bow to them immediately. With respect to the questions asked of a person who had attacked him, he characterised them as frivolous. That had that gentleman held a thousand instead of five shares, he would never have asked the board to divulge their business in this way, which it must be if such questions, asked with a motive, were evident to every one, should be answered. ("Hear, hear,") For the satisfaction of other shareholders who might desire to see the accounts, he would, however, say that they could not give it without necessarily exposing the manner in which they made their profits, while their doing it would in fact give very little more information to the shareholders, their rivals in business would at once know how the profits were made, and the result would be that in a very short time they would be able to make no profits at all. He appealed to the shareholders to support the directors in not answering such questions. (Hear, hear.)

Mr. Cave, as the holder of 200 shares, wished to make a motion which, if carried into effect, he believed would prove very beneficial to the company. Whenever the Bank of England board wanted a new governor, they looked about for a man of ability, and made a large fortune for himself, as the proper person to be made a large fortune for others, and he believed if this plan, it would turn out to be greatly to its advantage, and that the most entire confidence in the soundness of the institution was that in a few years it would be second only to the Bank of England. (Hear, hear.)

A Shareholder complained that the directors' remuneration was placed in the accounts as a separate item, and also of the interest on which the shares in companies brought out by this institution.

When a good popular undertaking was brought out a large number of the shares were kept back, and there were positive refusals in some instances to shareholders of the Company, while some of those companies which were not favourably received by the market, the whole amount of shares were allotted on application. He mentioned his own case with respect to the Milan Company and the Freehold Land and Docks Company, and inquired why it was that £10 paid-up shares of the one were at a discount, and the £5 shares of the other at a premium.

The chairman said that he was quite willing to state the amount of the directors' remuneration if it was desired. (Cries of "No, no.") He explained that it was not usual to put the amount in the balance-sheet under the remuneration item, but it was included in the general account; but he thought it was better to mention it at the meeting than to leave it to the directors of other companies of a similar character to receive. With respect to the allotment in the Milan Improvement Company, he was bound to answer the question, because he happened to be one of the directors of that company.

He must say he never regretted anything more in his life than the manner in which these shares were issued, but the fact was it was a mistake and not a fault. There were 20,000 shares to issue, and the company had more than 120,000, and they were further embarrassed by a reserve of 5,000 being kept for issue among the Credit Foncier shareholders. They were obliged to deal with them as they could. Every share applied was treated in the same way, and they were allotted on the average which was struck.

The chairman said that the one principal thing they adopted in allotting shares was not to sell them for investment, and not to such persons as they knew would throw them upon the market the moment they were at a sale. (Hear.)

He complained that in the call letter there was a statement that the shares which had been called would be liable to be forfeited, whereas the articles of association it was provided that they should only be liable for interest.

Other shareholders tried to speak, but they were all met by cries from the chairman that the meeting having become very impatient.

He then turned to Mr. Davis,

The chairman stated that the directors did not charge £10 per cent. interest on the shares as represented by share premium.

Mr. Davis made some observations on the accounts, contending that they were not sufficiently explanatory, and pointing out that, as they paid £100 per year for premises as rent, they ought not to be charged with the depreciation of building offices and furniture account. He also complained that preliminary expenses were far too heavy, and that the amalgamation had not been carried out unanimously. He also pointed out that the share premium paid on the new issue of shares had been paid by the shareholders to the company itself, the dividend, instead of being 40, was in fact only 30 per cent.

The chairman said that the observations of the hon. proprietor went to show that they ought to have divided more, but as what was proposed to do seemed to meet with the acquiescence of the shareholders, he did not enter into any discussion of the point. They had been obliged to make extensive alterations in their premises in Cornhill, solely on account of the increase of their business, which was the reason why the item in

question was charged. As to the remuneration of the directors £350 a year each, and the 10 per cent. commission did not after 10 per cent. had been paid to the shareholders.

The report was then put and carried unanimously.

Mr. Maynard and Mr. Ford were unanimously re-elected a company, and on the motion of a shareholder, seconded by 1 special vote of thanks was given to the managing director, for energy, and integrity he had displayed in conducting the company.

A vote of thanks was also given to the secretary, Mr. similar compliment to the chairman and directors terminating proceedings.

LAND MORTGAGE BANK OF INDIA, LIMITED

The second ordinary general meeting of the shareholders of the *Crédit Foncier Indien, Limited*, was held on the 19th April, 1901, at the *Tavern*; Mr. S. Laing in the chair.

The advertisement convening the meeting having been read.

The following report was taken as read:—

"The accounts submitted, made up to the 31st December, 1900, show actual operations over eight months only, which show a profit of £12,288. 7s. 8d., to which is added the interest earned in March, £10,651, showing a sum of £22,939. 7s. 8d., dividend, &c. The directors therefore recommend that a dividend of 4s. per share (free of income-tax) being 5 per cent. on the capital, be now declared, payable on and after the 1st March. The capital in India on 31st March amounted to £611,930, of which £404,407 was invested on mortgages of real property, on government securities, at an average rate of 9 per cent. applications for mortgage loans amounted, by last advices, to £1,000,000, of which £404,407 has been granted, and of the remainder under consideration a large amount will probably be accepted. Great care has been used in making these advances, and the appraised value of the properties mortgaged to the company is double the amount actually advanced upon them. Every title undergoes the rigid scrutiny of the bank and standing counsel at the presidency cities. Each property is fully valued by inspector, sub-agent, or other competent person, and the chief agents only grant the loan on the recommendation of the satisfactory result of the investigation. The Registration Act, now in force in India, also affords an additional security to the mortgage company is now firmly established, and its investments are such that the directors feel themselves justified in anticipating a safe and profitable business, with annually increasing profits, has been the future. The directors have, in accordance with the provisions of the articles of association, filled up the vacancy caused by the death of Mr. M. Worms by the election of his brother and partner, Mr. H. Worms. The directors recommend the payment to the auditors of £1,000 a year for their services in auditing the accounts. The auditors, Messrs. J. Hill William & Co., at the last ordinary general meeting, Messrs. J. Hill William & Co., offer themselves for re-election."

Land Mortgage Bank of India.

649

Balance-Sheet, 31st December, 1864.

LIABILITIES.

paid up, £4 per share on 100,000 shares	...	...	...	£400,000	0	0
capital	...	...	...	257,710	0	0
deposits and drafts in transitu	...	...	...	8,600	0	0
creditors	...	...	...	1,410	15	1
loss balance at credit of this account	...	...	...	12,288	7	8

£680,009 2 9

ASSETS.

India, viz.:—Invested on mortgages, £306,007. 4s. ;						
on government securities and cash at bankers,						
at 11s. 5d.	...	...	...	£424,626	15	5
government securities in London	...	...	...	60,000	0	0
bankers and in hand in London	...	...	...	41,078	14	4
receivable on debentures subscribed for	...	...	...	77,193	9	11
debtors	...	...	...	7,916	0	10
accounts*	...	...	...	59,666	6	1
premises, No. 17, Change Alley, cost	...	...	...	8,740	19	2
fixtures and furniture account, London and India	...	...	...	786	17	0

£680,009 2 9

accounts—

discount sinking fund account	...	...	...	£41,560	0	0
charges sinking fund account	...	...	...	3,176	7	3
commission sinking fund account	...	...	...	3,197	17	1
change account	...	...	...	2,734	10	10
other charges	...	...	...	8,997	10	11

£59,666 6 1

Profit and Loss Account, 31st December, 1864.

expenses, London and India, viz.:—rent, salaries, advertisements, stationery, printing, directors' remuneration, &c.	...	...	...	£3,097	15	2
...	...	...	...	356	15	6
carried down	...	...	...	12,288	7	8

£15,742 18 4

of 5 per cent. on paid-up capital	...	...	...	£20,000	0	0
to meet current expenses to 31st March	...	...	...	2,939	7	8

£22,939 7 8

credit of this account, 30th September, 1864	...	...	...	£7,975	4	7
debits, from 30th September to 31st December	...	...	...	7,767	13	9

£15,742 18 4

brought down	...	...	...	£12,288	7	8
returned in India to 31st March	...	...	...	10,651	0	0

£22,939 7 8

The Chairman, in moving the adoption of the report, told the shareholders that the company was now fairly afloat. Commercial enterprises, and they naturally looked for their profit of as much debenture capital as they could raise on the share capital. The profit of the system was beginning to show. The Crédit Foncier of France had produced very success during the first two or three years after it was established in a little way, nor, indeed, did it make anything like the progress the company had made. The situation of the company, as stated, was very simple and very short. They had £400,000 share capital, and debentures issued up to December 31st amounting to £611,000, of which £404,000 were invested in mortgages on property, and 197,000 in government securities. The two elements in a company of this kind were the investment of money in the power of raising debenture capital, and those two things were not currently, because until they saw that they could raise money in the country upon debentures, they could not authorise the company in India to extend their loans. The state of the money market and the rate of interest ruling so excessively high as it had been during the last few weeks were a great obstacle in the way of the company's progress, and they were obliged to proceed very cautiously. The applications to them exceeded £1,300,000 in amount, and only £404,000 had been granted. The delay, however, which was caused by the state of the money market was so far useful that it was a danger of their going too fast and lending money without sufficient security of securities. Their agents in India were most successful in respect, and he believed the directors might state with confidence that the money invested in mortgages in India was secure, the securities being more than ample, and of unexceptionable character. The Registration Act, which had lately passed, would add also to the security of similar transactions in future. The high rate of the rate of interest ruling so high here they had been obliged to make a corresponding rise in India, and they lent nothing now upon a minimum rate of ten per cent.; but they had plenty of applications for advances at that rate. So far as the system of lending money was concerned, the problem was solved, and there would be no difficulty in extending their operations, the only question being how far they could extend the system of raising money on debentures in this country. The state was this. In round numbers they had raised about £400,000 of debentures, only £200,000 of which had reached India up to the accounts, and the remaining £200,000 had since reached India and been invested. With the £200,000 which reached India first and the share capital of £400,000 paid up they had earned, after deducting about six per cent. per annum, and the £200,000 additional capital would return them at least 1 per cent. extra dividend for the year. They had a share capital of £400,000 and debenture capital at the rate of 8 per cent., and if they had £1,000,000 of share capital, they would be earning 10 per cent. The large amount of debentures they could place the more they would be able to afford sound security afforded in the class of investments in which they were engaged afforded a most satisfactory prospect for the future. In showing the rapid progress they had made, he might mention

amounted during the first eight months of their operation £0, but during the next three months they earned £10,000, and now six months they were earning £14,000. (Hear, hear.) It was simply a matter of placing debentures, and if they could only do so, they would meet the anticipations that might have been formed of the success of the company. If money continued at the present low rate, and it seemed to do so, there was a prospect from the manner in which debentures were being taken up of placing a very large amount. The shareholders would serve that the operation of placing debentures was a progressive one, and took some time to acquire public confidence, but once they had done so, and placed their debentures, connections grew up, and it became very easy to place additional capital than it was at first. As far as to judge the company was now fairly afloat, with every prospect of success. (Hear, hear.) The dividend which it was proposed to pay was, 3 per cent. up to the close of the year, and 2 per cent. on account for the three months ending March 31, which amounted to £5 per cent. per annum. The only question was whether they should declare a dividend of 3 per cent. and wait till next year before they declared the dividend, or whether they should give it at once. They thought, however, that considering the time the shareholders had been out of their money, and the large amount placed in their hands for the purposes of the bank, it would be better to give it at once. (Hear, hear.) He explained the item in the accounts of sundry debtors, £7,916, was simply interest on mortgages, and not debts in the ordinary sense of the term, but only the pro rata of accruing payments not yet fallen due. The sundry accounts were fully explained in the balance-sheet, and consisted of nominal balances, which accountants found it necessary to put on both sides of the account in order to balance it properly. Their position was that they owed no one anything except the debenture interest, and were not owed anything except what was due, as he explained, the interest.

A shareholder inquired whether the item of £41,000 put down as an addition to balance the capital paid short of £257,000 on the debtor side of the account.

The chairman said that was so, and explained that the item of £11,000 was the discount sinking fund account practically accumulated at 4 per cent. interest, the debt being discharged in annual instalments.

The report was then unanimously adopted, and Messrs. J. Hill Williams and Messrs. J. Hill Williams were re-elected auditors, the sum of £50 each being voted as remuneration.

The chairman then proposed that £1,000 per annum should be devoted to remunerate the services of Mr. W. F. Fitzwilliam as managing director. He explained that when the company was started, that gentleman undertook a long and arduous journey to India, and had been of the greatest service to the company. The board could not ask a gentleman who had filled so important a position in the Supreme Council of India to become a manager, but if they engaged him as director his services would be most valuable to the company. (Hear, hear.) Of course it was obvious that if Mr. Fitzwilliam did not accept the office of managing director, it would be necessary to appoint a person to fill the place, and probably the salary required by a competent gentleman would considerably exceed the amount now proposed to be voted. The proposition was unanimously agreed to, and Mr. Fitzwilliam returned to the chair, and stated that he should not only use his influence, but make

every personal exertion to promote the interest of a country which felt confident would be one of the greatest commercial successes. (Cheers).

A special vote of thanks was given to Mr. Fitzwilliam for his exertions, and a similar compliment to the chairman concluded the proceedings.

NATAL BANK.

THE following is the report for the year ending 31st December the Natal Bank, read and approved at the annual meeting held on 30th January last; J. Henderson, Esq., in the chair.

"The directors have pleasure in laying before the proprietors of the bank for the past year, which, it will be seen, affords proof of the continued increase of its business during the year. The net disposable profits show a very considerable increase over the last year, and amount to £16,857. 7s. 10d., after deduction of interest and commission to other banks, and payment of interest on bills, setting aside £5,034. 8s. as reserved rebate on bills matured, this rebate being £1,834. 8s. in excess of that at the end of the previous year. Out of these profits the rate of 16 per cent. per annum was paid for the year ending 30th June last; and the directors now declare a dividend for the half-year ending 31st December, leaving surplus profits, to be carried to the credit of profit and loss for the current year of £4,894. 6s. 6d. The directors thought it expedient to explain that they have deemed it prudent (rather than to give a bonus on the present occasion) to carry forward the whole of the profits in this manner, as a precautionary measure, rendered necessary by the state of the money market in England, and the consequent high rates of interest in England have not prevented the increase of the deposits of the bank, which now amount to £155,529. 15s. 8d. held at the close of 1863. Mr. M. and Ferreira retire at this time from the directorship, in accordance with the law of incorporation; and Messrs. Turnbull and Symonds as auditors; but all are eligible for re-election."

Annual General Account of the Natal Bank, to 31st December 1863.

Dr.

Capital stock—amount paid up...	...	...	...	...
Reserve and property funds—amount set aside and bank property ...	...	...	...	...
Notes in circulation ...	...	...	...	...
Amounts due by the bank on deposit and current accounts, including interest accrued, rebate on bills not due, &c...	...	...	...	...
Net profits for the year ...	...	...	...	...

on hand	£21,001	8	2
es and bills discounted, and other debts			
ration, exclusive of debts abandoned as			
... ..	270,836	19	7
er banks	30,596	17	11
urniture, &c.—Pietermaritzburg, and			
... ..	9,466	5	10
	<u>£331,901</u>	<u>11</u>	<u>6</u>

and Loss Account for the year ending 31st December, 1864.

ward on 31st December, 1864	£4,260	16	1
the year ending 31st December, 1864,			
Less—Interest and commission paid, and			
14. 14s. 11d.; interest on fixed deposits, cal-			
December, £12,035. 2s. 3d.; deduct balance			
on 31st December, 1863, £2,909. 9s. 4d.,—			
Current expenses, £4,841. 4d.; directors'			
the year 1863, £400, and amount written off			
doubtful debts, £42. 8s. 10d., less amounts			
9. 7s. 5d. Rebate on bills not matured on			
1864, £5,034. 8s.—£20,684. 3s. 3d.	12,596	11	9
Net profits for the year 1864	<u>£16,857</u>	<u>7</u>	<u>10</u>

DISPOSITION OF PROFITS.

—declared 25th July, 1864, for the half-year			
ine, 1864, at 16 per cent. per annum,			
twentieth dividend—declared 30th January,			
-year ending 31st December, 1864, at 16 per			
, £6,154. 2s. 1d.; surplus profits carried to			
ew account, £4,894. 6s. 6d.	£16,857	7	10

NATIONAL BANK OF INDIA, LIMITED.

The report of the directors of this bank for the second
 1st December, 1864:—

The annexed accounts for the half-year ending the 31st
 ur directors have pleasure in congratulating the share-
 and solid progress made by the bank during that
 bed state of the monetary and commercial atmosphere,
 ring the last six months, rendered it desirable rather to
 end the bank's operations, and although, therefore, the
 reasonably be expected to be reaped from the branches,
 rived only to a limited extent, it is satisfactory on the
 r directors are able to state that the bank has enjoyed
 y from bad debts. The accounts now submitted, show
 all current charges, and allowing for rebate on bills
 unted, and for interest due to the public, &c., the net
 Rs. 84,889 9 6, including Rs. 1,260 11 0 brought for-
 f-year's account. Your directors recommend that
 a dividend at the rate of six per cent. per annum,

or Rs. 7 4 per share, be paid, free of income-tax, on the bank, as from time to time received during the half-year, lacs from 30th June to 15th July, and on twenty-five lacs to 31st December, 1864. This will absorb Rs. 72,500, leaving as to the disposal of which your directors recommend the carried to reserve fund, and Rs. 2,389 9 6 to next half. The reserve fund will then stand at Rs. 25,000, being the whole paid-up capital of the bank. During the half-branches have been opened at Bombay and London. On the death of the agent at Bombay, before the branch had been the agency has been transferred, as a temporary measure, to Bombay. The agency will shortly, however, be put on a footing under the management of Mr. Windram, at present in Calcutta. The London Agency was opened on the 12th of gratifying to state that all advices from London mentioned have been well received. The influential and well-known name of the London board will, it is believed, be highly acceptable to the and will be of great service in advancing the interests in England. Your directors have received a requisition submitted by the representatives of the important tea planting interests of Cachar, asking that the bank should establish a branch at Cachar; to this request your directors are prepared to make certain concessions, now under the consideration of government. The board take this opportunity to impress on the holders the necessity for giving the bank the benefit of the and influence—a hearty and active individual interest on the part of shareholders being essentially necessary in the present day of competition in banking."

General Statement and Balance-sheet for the Half-year ended December, 1864.

LIABILITIES.

Deposits received from the public on current and fixed deposit account, Rs. 5,88,856 10 8; bills of exchange in circulation not bearing interest, Rs. 69,905 4 0; total due to the public
Sundry accounts, being rebate on bills discounted and purchased, and income-tax on net profits
Capital paid up. Amount received on 10,000 shares at Rs. 250 per share, Rs. 25,00,000; reserve fund, Rs. 15,000; dividends remaining unpaid Rs. 4,676; balance of profit and loss account after defraying all current charges, Rs. 84,889 9 6; due to shareholders,

Total Rupees

ASSETS.

Cash in hand and with bankers, Rs. 1,91,275 11 9; government securities, Rs. 1,42,071 15 4
Dead stock, stationery, and stamps
Bills and notes discounted, Bills of exchange purchased, and loans and advances on government paper and other approved securities

Total Rupees

Loss Account for the half-year ending 31st December, 1864.

the rate of 6 per cent. per annum on Rs. 15,00,000					
15th July, 1864, and on Rs. 25,00,000 from 15th					
December, 1864, Rs. 72,500; amount carried to					
ad, Rs. 10,000; balance carried forward to next					
Rs. 2,389 9 6	...	...	...	...	84,889 9 6
Total Rupees	...				84,889 9 6
divided profit from last half-year	...	...			1,260 11 0
the half-year ending 31st December, 1864, after					
all current charges, deducting income-tax on net					
rate on bills discounted and purchased, and					
and due to customers on their current and					
t accounts	...	...	...	...	83,628 14 6
Total Rupees	...				84,889 9 6

DINNER TO THOMAS BARNEY, ESQ.

A sumptuous dinner was recently given to Thomas Barney, Esq., on the 15th of July, 1864, at the Stamford, Spalding, and Boston Bank. The place in the newly-erected room at the Peacock Hotel, of which establishment placed on the table a profusion of flowers as is seldom witnessed in that part of the country.

The gentlemen sat down. The chair was occupied by J. C. P., of Fishtoft; and amongst those present were—The Rev. H. Watson, rector of Langton; Dr. Walker, Messrs. E. Walker, Clifton; J. Rainey, Spilsby; H. Mackinder, Langton; W. E. Grantham, Burgh; H. C. Parby; J. T. Kirkby, Partney; H. J. Seels, Wainfleet; J. Hagnaby; J. Jessop Bagg, Swineshead; W. Paethorpe, Riggall, Dexthorpe; S. Dawson, Skirbeck; Thomas Smith, Denkarn, Leake; N. Webb, T. Wright, J. H. Small, R. H. E. Ridlington, W. H. Bailes, Harris, Dingwall, S. Storr, &c., Boston.

After loyal toasts having been observed, the Chairman, in brief but complimentary terms, proposed "the health of Barney," which was enthusiastically received.

Then, in a highly eulogistic speech, presented Mr. Barney, in the name of the subscribers, with a magnificent silver Epergne, with a magnificent dessert stands. The gift was accompanied with an address, furnished by Messrs. Waterlow, of London. With the address, which is subjoined, were beautifully executed coats of arms,

Thomas Barney, Esq., Manager of the Stamford, Spalding, and Boston Banking Company, branches at Boston, Spilsby, Alford, Burgh, &c.

The severance of your connection with this town and neighbourhood amongst us of sixteen years, has been thought a great loss to the community, by many of your friends and neighbours, of testifying, in the most sincere and permanent manner, their sincere regard both for your

official character and your private worth, and for this procured the accompanying Epergne, with candelabra and which they now have the gratification of offering for you the hope that while it serves as a memorial of the past it be a bond of union for the future, perpetuating both in you and those of the presenters the friendships and sympathies awakened here.

"Among the list of names appended to this address will be the names of the principal towns and villages of the neighbourhood, and of the representatives of almost every kind of profession and occupation. All are alike anxious to bear testimony to your unflinching and unswerving rectitude in every transaction in which they have been connected with you, and to express their regret that so lengthened a service to one so satisfactory to all concerned, should now be brought to a close.

"With every good wish for the future welfare of you and your family; and with the sincere hope that the gracious Providence may attend you, we remain your attached friends and associates."

"Boston, April, 1865."

Mr. Barney, who on rising was loudly cheered, in a high compliment, spoke as follows:—I can never sufficiently express my appreciation of the high position I this day occupy. The testimonial mine will be adequate to convey the deep feeling of my gratitude. I am sure you will take the will for the deed. I have done but such spontaneous kindness at your hands. I have merely discharged my duty in a straightforward, honourable, and consistent manner. That it has met with your approval, your presence here to receive these splendid trophies, very abundantly testify. I am satisfied with me that for business to be satisfactory it should be profitable, and I am happy to tell you that I have been able to give an account of my stewardship towards the bank, as facts and figures will prove. I have kept the profit and loss right by zeal and industry, keeping tolerably free from bad debts. And here you will see that I much regret the loss of health which has occurred since I became director of this bank, Mr. O. Edmunds, sen., and I wish to say that, coming here as a young man, it was to his sound advice and counsel that I am indebted for many a business thought which has improved my character. You, my friends, will all be pleased to know that to this elegant testimonial I am to-day receiving at your hands. I have received from the bank a most satisfactory written testimonial in language that leaves nothing for me to wish or desire in the future. I never may engage my time in (and I think you know me well enough to suppose I could be happy long idle), and wherever I may go, in my tent, these documents, including the splendid book of honours and names, will be ever prized most highly, and handed down to my heirs and heirlooms, proving beyond doubt that the county of Lincoln has generous hearts ever ready to acknowledge a man's worth and his path of duty. When I came here, more than 16 years ago, the shares of the bank were standing at about par, or say five pounds. They are now selling for upwards of £200. (Applause.) I do not like to take to myself a credit I do not deserve; but I think I am justified in saying that I have done my share in adding to the prosperity of the bank. When I tell you that when I first came here there was but one fourth of the business I am now leaving my successor. (Applause.) I leave these most valuable gifts at your hands with pride and de-

ly on account of their intrinsic value (which is great), but
 out of the pleasurable associations they will serve to awaken.
 made of this noble parish church, and in this ancient borough,
 life commenced. Here my children have been born and my
 has been endeared to me by many blessings as well as sad recol-
 is most gratifying to me to find that I can count so many sin-
 and well-wishers. My study has been to conduct this business
 le rivalry with my opponents, only asking, what every English-
 deserves, a fair field and no favour. (Hear, hear, hear.) I see
 ate friends around me, and many from a distance come over
 me honour. I desire to thank them for their presence here this
 a conclusion, gentlemen, in the name of Mrs. Barney, my
 myself, I desire to offer you our warmest thanks for these
 rks of art, and the good wishes contained in the address. To
 the chairman, the vice-chairman, the committee, and the hon.
 y warmest thanks are especially due for the valuable time they
 d to this matter. Permit me, before I sit down, to take up the
 the address, and to wish that the same kind hand of Providence
 blessed my labours, may shower down His choicest gifts upon
 r families, and in saying this I can fill a bumper and drink
 happiness to you all. (Loud cheers.)

ing is a copy of inscription or testimonial :—
 mas Barney, Esquire, late manager at Boston of the Stamford,
 and Boston Banking Company, on his retirement from his
 other friends in Boston, Spilsby, Alford, Burgh, Wainfleet,
 urhood, in testimony of their esteem and appreciation of his
 racter as a man of business, and his uniform urbanity and
 all classes during the sixteen years of his residence among

865."

THE BANK OF ENGLAND.

al court held at the Bank of England on the 4th and 5th
 following gentlemen were elected governors and directors of the
 year ensuing, viz. :—

GOVERNORS.

Henry Lancelot Holland, Esq., Governor.
 Thomas Newman Hunt, Esq., Deputy-Governor.

DIRECTORS.

e Berens, Esq.	Thomson Hankey, Esq.
ard Campbell, Esq.	John Benjamin Heath, Esq.
ary Chapman, Esq.	Kirkman Daniel Hodgson, Esq.
ram Crawford, Esq.	John Gellibrand Hubbard, Esq.
ton, Esq.	Charles Frederick Huth, Esq.
son Currie, Esq.	Alfred Latham, Esq.
uck Greene, Esq.	Thomas Masterman, Esq.
rsdale Grenfell, Esq.	James Morris, Esq.
ks Gibbs, Esq.	Sheffield Neave, Esq.
ers Gilliat, Esq.	George Warde Norman, Esq.
him Goschen, Esq.	Edward Howley Palmer, Esq.
ander Guthrie, Esq.	Clifford Wigram, Esq.

LONDON AND BRAZILIAN BANK.

Important announcement has been made with respect to the London and Brazilian Bank, Limited, and will not be without considerable rise in the price of shares:—

“London and Brazilian Bank, Limited,

“2, Old Broad-street, E.C.,

“London, 17th April, 1865.

“The directors have much satisfaction in informing their shareholders, subject to their approval, concluded a provisional amalgamation with Messrs. Mauá and Co., for an amalgamation of the large business, including the privilege of issue of bank notes at Rio de Janeiro, carried on by that firm in Brazil and the River Plate business hitherto carried on by this bank. The amalgamation will be effected by means of the incorporation of a new joint-stock company, having a nominal capital of £5,000,000 sterling, £20 each, one-half of which is to be paid up. Of the £2,500,000, with £10 per share paid up, will be allotted to the old shareholders, in exchange for cash or approved securities to that value. The remaining 100,000 shares will be placed at the disposal of the proposed amalgamation will take effect as from the 1st of January, 1865, on which date neither of the two banks will carry on business on their own account. The management of the new bank will be vested in a new board of directors of the London and Brazilian Bank, consisting of Baron de Mauá, the senior partner in the firm of Mauá & Co. The directors propose to call together their shareholders, on the 1st of May, for the purpose of considering the mode of raising the capital, which will form the contribution of this bank to the amalgamation.—I am, Sir, your obedient servant,

“JOHN BEATON, Secretary.”

LIQUIDATION OF THE OTTOMAN BANK.

“The following notice has been issued with regard to the liquidation of

“The Ottoman Bank (in liquidation), London,

“4, Bank Buildings, Lothbury, E.C.,

“April 13.

“On the occasion of the distribution in January, 1864, of the dividends on the paid-up capital of this bank out of its surplus, the directors intimated that there were still some few further assets of the bank, which they expected would enable them to make a further distribution. They regret that, notwithstanding their best efforts, these matters are still unsettled, and they have, therefore, decided on making a further payment on account, of £13,750, on the old shares, 1s. per share on those of the second issue, and 2s. per share on those of the first issue. I am, Sir, your obedient servant,

“WILLIAM W. LANDER, Assistant Secretary.”

COMMERCIAL BANK CORPORATION OF INDIA EAST.

THE following is from the report of the directors of the Commercial Bank Corporation of India and the East, to be presented at the meeting :—

“The amount received up to the 31st of December last in new capital was £355,590, and of the premiums on shares in England £91,282. 10s. On the 1st January, 1865, the business of the Commercial Bank of India was transferred, at all the branches, to the Commercial Bank Corporation; and the former bank now exists for the purpose of liquidation. The assets and liabilities of the Commercial Bank of India have been taken over exactly as they stood on the 31st December last. The capital of that bank was £500,000; the new capital paid up, will be £500,000; making the total capital of the Commercial Bank Corporation £1,000,000. The net profits of the year 1864, after writing off bad debts up to the 31st December, were £154,426. 11s. 4d. and bonus for the first half of the year were paid to the shareholders of the Commercial Bank of India in Bombay, amounting to £154,426. 11s. 4d. and a dividend has since been paid in London at the rate of 5 per cent annuum on the whole paid-up capital as it stood on the 31st December for the second half of the year, amounting to 39,925; leaving a balance of £69,501. 11s. 4d. The directors regret to report that some losses have taken place since the commencement of the present year, but they have deemed it prudent to estimate accurately; but they have deemed it prudent to leave the entire balance, after paying the above dividends, as a reserve fund for the Commercial Bank of India. The reserve fund of the Commercial Bank of India on the 1st of January amounted to £73,301; and the premium on the shares allotted in London already stated, £91,282. 10s.; amounting to £164,583. 10s. on the 31st December, £4,717, 10s.; making the reserve fund of the Commercial Bank Corporation, £169,301. In addition to which a sum of £16,700 has been transferred to the corporation by the Commercial Bank of India, being the balance standing to the credit of the insurance account.

ASIATIC BANKING CORPORATION.

THE directors of the Asiatic Banking Corporation have at their first report, to be presented at the meeting on the 4th of March, that, “The court of directors, in presenting the first report of the bank, have great pleasure in congratulating their co-proprietors on the position attained by the bank during the brief period that has elapsed since the commencement of its operations. The half-yearly accounts are now rendered, and during which period a portion of the existing branches of the bank have been working, representing the least favourable season of the year in India, but has also been affected by a severe monetary crisis in this country, which has necessitated the exercise of the utmost caution in conducting the business of the bank, and a consequent restriction of its operations. Notwithstanding these drawbacks, the net profits, after deducting all charges upon the capital and expenses of the bank, and fully providing for all bad and doubtful

This sum the directors propose to distribute in the
viz., £37,500 by a dividend at the rate of 15 per cent.
00 by a bonus of 10s. per share, equal to 5 per cent. per
ether equal to 20 per cent. per annum on the paid-up
ember, to be paid to the proprietors free of income-tax;
n liquidation of the whole of the preliminary expenses;
d to the reserve fund, which, with the premiums arising
ue of new shares, will then amount on the 30th of June
; and the balance—say £6,454. 12s. 9d.—they propose to
of the profit and loss account for the current year. The
ommend the shareholders to authorise them to declare
nterim dividend half-yearly, for the current and future
y deem desirable, pending the final adjustment of the

NEW MEXICAN LOAN.

condensation of the prospectus issued in Paris of the new
nt. Loan of £10,000,000, the lists for which were opened
2nd April:—

MEXICAN GOVERNMENT LOAN.

for 500,000 obligations of £20, authorised by H. E. the
Issued at the price of £13. 12s., with dividend from
865; interest, 6 per cent.; redeemable in 50 years by
gs, commencing on the 1st of October next. They will
e drawings will amount to £60,000 each half-year, the
£20,000, with two of £4,000, four of £2,000, and sixty
rawing to be on the 2nd of July next, and the follow-
f January and 2nd of July in each year. The Mexican
o deposit in 3 per cent. French Rentes sufficient to pay
y obligation at the end of 50 years, the title to this pay-
ented by a special certificate. Thus the subscribers, in
imbursement by drawings at the rate of £20 per obliga-
a second reimbursement of £13. 12s. The subscription
the Comptoir d'Escompte at Paris, and their correspon-
rtments, and at the offices of the various Receivers-
urday, the 22nd of April, till Wednesday the 26th. The
be made as follows:—£2. 8s. on application, £3. 4s. on
and £2 on the 15th of August, October, December, and

o SCOTTISH BANK.—WINDING-UP.—A petition having been
aster of the Rolls, for the winding-up of this company, which
in London at 24, Old Jewry, Mr. Swanston, on the 26th
rite for an order appointing five of the directors (named in
Sir Wm. Smith, W. H. Logan, J. B. Cumming, Thos. J.
picer, provisional official liquidators. The ground of the
execution for £2,000 was about to be enforced against the
made the order.

Communications.

To the Editor of the "Bankers' Magazi

THE BANKERS' GUARANTEE AND TRUST COMPANY

3. Abchurch

SIR,—In replying to the letter of "A Bank Manager," who offers to pay me £100 a year for his guarantee premium," which appears in your number, you will, perhaps, be so good as to allow me to answer the particular questions raised therein, but generally to discuss the circumstances which led to the establishment of the Bank of Commerce and Trust Fund, and the plan on which it is conducted. It is possible within the limits of a prospectus to enter fully into the details, and as your magazine is the recognised organ of the banking community, pages seem to be the fit place wherein to discuss the subject. Bankers and their officials are so much interested.

The circumstances which led to the establishment of All bank officials are, with few exceptions, required their fidelity to their employers. This security had obtainable, either by the bond of private sureties or the partnership society. In some banks the former, and in others the latter security was required, but in most cases the kind of security with the clerk so long as, of its kind, it was satisfactory. Of late years the custom of giving private security has been giving way to the more approved and popular mode of the guarantee society, and there are now very few banks in which it is compulsory for clerks to put themselves under an indebtedness for suretyship to relations or friends.

The impression with some bankers used to be that a recommendation or friend was a certificate of character such as the company could never be. It was said that it implied upon the part of the bondsman in the honesty of the man was bond. On the other hand, it was thought that a recommendation to commit an act of dishonesty that would entail loss from which he would not be deterred if a guarantee so judiciously by his acts.

But these were theories, however, and are disproved. It is well known that one of the largest private banking houses, which still requires private sureties, has had more defaults since the plan of accepting the policy of a company than most other houses, than, it is believed, any other private bank has had.

Besides, since the establishment of the guarantee society has been practically inoperative. The custom of guaranteees does away with any validity private surety, possess, and A. B. may readily enough become surety. C. D. can give A. B. the policy of a guarantee society, him harmless in respect of his private bond. Nay, it is likely that the policy of a guarantee society may be more to counter-guarantee than to guarantee direct, and, if it

ate sureties has even greater facilities for obtaining his which either requires or will accept a policy. But, be, it is unquestionable that the practice of requiring rapidly going out of use. The largest joint-stock bank previously adhered to this practice has done away with it ment of the Bankers' Guarantee and Trust Fund.

majority of bankers' clerks, then, have of late years been urity from a guarantee society, and the premiums they paying have been upon the average at the rate of £3 ery £1,000 guaranteed. Formerly the premiums were upon the reduced rates only I will make my calculations. aid for 10, 20, and 30 years, amounts of course to £30,

will effect a life assurance for £100 at the age of 18, pay- the age of 45 or 46, or at death, if that should previously

amounts in 30 years, with compound interest at 5 per than two hundred pounds.

OUNDS, that is the sum which a guarantee society would, realise from a bank clerk who continues faithful to his to 35 years, while from those who spend a lifetime in ny hundreds do), the society would have the satisfaction or quite double that amount.

erk not yet 40 years of age has paid in hard cash £60, 0).

bly eight or ten thousand clerks employed in the bank- of Great Britain and Ireland. If they were all guran- and if one in every hundred were a defaulter, and every the full amount of his policy, the premiums would at the in three years even that amount of loss.

own that bankers' clerks are, as a body, a non-defaulting his arises from the care exercised in selecting young men tments, or from their prospects of promotion, and the provided for life if they conduct themselves properly, or osed in them, and the sense of responsibility tending to racter, or from the system of check and counter-check to counts are so properly subject, or, as is most probable, matances combined, the fact is indisputable that bankers' shed for themselves an exceptionally high character.

ocieties themselves recognise this to a certain extent by ir fidelity at lower rates than they charge to clerks ther branches of commerce.

own that bankers' clerks seldom change their calling, positions in the banking-houses throughout the country men who have been in the same service from their youth. of a banking appointment, even more than its emolu- sh makes it so desirable to obtain, and is so conducive discharge of its particular duties, and to general recti-

not given to change, and also numerous, it would not ng if bankers' clerks had been the first to co-operate ntary general association, at least for the purpose of another's fidelity, and so of saving, or keeping to them- accruing from their guarantee premiums; but it is

positively marvellous that with the example before them for years of the successful operation of mutual guarantee funds and small sections of their own community, and in certain government departments, such as the Excise and Customs, they should not until now have organised a general co-operative association, extending the benefits of a system of mutual guarantee to all the members of their class.

Twenty-four years ago the directors of the Bank of England footed a mutual guarantee fund for the benefit of their clerks. It was required to subscribe £5, and the sum so subscribed was to be used to guarantee their fidelity as long as they remained in the bank; the fund was not exhausted. Practically, the subscription of £5 was found to be much more than sufficient for the purposes of the fund, and not only have the subscribers never been called upon for further contributions, but the greater portion of the fund arising from the single original subscription has been dealt with from time to time for the benefit of the contributors as a class.

If during these twenty-four years the clerks in the Bank had been guaranteed by a guarantee society, their premiums would have amounted to, in excess of the defalcations, at least £45,000; interest added, to at least £70,000, the whole of which would have gone into the pockets of the guaranteeing society.

Such, then, are the circumstances which at the instance of the Bank have been brought about for the benefit of themselves, and in no small degree through the exertions of the man whose name appears upon the prospectus as auditor, led to the establishment of the Bankers' Guarantee and Trust Fund. By the general co-operation among the managers and clerks engaged in the various banking establishments throughout Great Britain and Ireland, it is hoped to extend to all bank officials the advantages hitherto exclusively enjoyed by the staff of the Bank of England.

I say exclusively enjoyed, for though it is true that one or two banks have guarantee funds of their own, the rates charged are higher than are necessary for the purposes of guarantee, they do not take more of the nature of "annuity" or "benevolent" than "guarantee" funds.

The one object of the Bankers' Guarantee and Trust Fund is to enable the bankers' clerks to provide the required security at the lowest possible rate without reference either to any other prudential or to any other purpose. Whatever surplus may arise from the single subscription is not required for the purposes of the guarantee fund, will be held in trust by the managers of the fund (the trustees), for the benefit of the subscribers as a class, and will be so employed by them as they may see fit. (Various suggestions have been offered for the employment of such a surplus, but no decision can be arrived at until it is known with what amount the trustees will have to deal.)

Bank clerks, as I have said, seldom change their calling, but occasionally transfer their services from one bank to another, and therefore, manifestly to their interest to be members of a guarantee fund in the benefits of which they will participate as long as they are in the banking service, rather than of one that is limited to the use of a single bank, and in which all their interest would cease when they leave that establishment. A clerk on leaving a bank that has its own guarantee fund forfeits the whole amount of his contributions to their fund, whereas in the members of the Bankers' Guarantee and Trust Fund may, under certain circumstances, go from one banking house to another, and in

the same relation to this fund as if he continued during his whole life in the same bank.

It only seems evident that it is to the interest of all sections of the country of bankers' clerks, to have but one guarantee fund in which they will be permanently guaranteed let them go into what banking service they will, especially when the rate they must pay for being in a particular bank, as long as they remain in the service of that bank, is necessarily higher than the rate they would pay to a fund that, supported by the subscriptions of the large majority of the bank officials and the public, would guarantee their fidelity as long as they remained in the service of any bank.

Subscribers to a particular fund limited to the use of a particular bank, at higher rates and have fewer privileges than the subscribers to a fund open to the use of all banks.

Presenting these facts before them, it may be hoped that the directors of the two banks in which guarantee funds are in operation for the use of their own staffs, will, anticipating the wishes of their clerks, take initiative steps to enable their staffs to avail themselves of the advantages open to them by the Bankers' Guarantee and Trust

Since the establishment of this fund the clerks in those banks stood at the head of the parade, as compared with the clerks in other banks, in respect to guarantees; but now the clerks in all other banks will have an advantage over them if they, too, do not act in concert with the general movement of their detachments and make one rank together. They who were in the front of the van must now fall into the rear unless they march with the main body which has overtaken them.

I dwelt upon the causes that gave rise to and the objects and purposes of our general guarantee fund, I will now briefly allude to the manner in which it is conducted, and in so doing reply to the question raised by "A Bank Manager."

The fund is under the exclusive management and control of the directors and the policies are issued and signed by them. They are responsible in law for the due fulfilment of the obligations they undertake. Should disputes arise that might require the intervention of a court to settle, they might be sued; but of course their liability to pay would not extend beyond the moneys of the fund of which they are the trustees or trustees.

It is not thought likely, however, that any such disputes will arise. If the fund is managed by a committee of bankers, who as it were, pledge their honor for fair and impartial dealing, the fund will no doubt be managed in such a manner as to give no cause for complaint in any direction. As bankers themselves they will naturally be disposed to act promptly and promptly in the settlement of claims, and they can have no difficulty in resisting payment of ascertained losses, or of requiring evidence to prove them than would be sufficient testimony of the misconduct. The practical working of the fund will, I have no doubt, be as simple as its principle, and equally admirable.

A question was discussed whether an arbitrator should be appointed, and a decision made absolutely binding upon all parties in any case of dispute or dispute that might arise. The name of Mr. Tidd Pratt was suggested, as it might be supposed, from the great and enlightened character of that gentleman takes in all co-operative associations of bankers, that he would not object to undertake the office. But

application to him on this subject was deferred, as it was thought that no differences or disputes will arise, and consequently no arbitrator was appointed. If, however, experience should contradict this, it should be found convenient to have an arbitrator appointed. There could be no objection to the appointment being hereafter made.

With regard to registration, I saw Mr. Tidd Pratt and Mr. General upon the subject some time ago, and their opinion was that none of the Acts of Parliament with which they have registered was registration needful, and our solicitors also advised it was not necessary.

I may add that the prospectus from which "A Bank Manager" was a preliminary and incomplete document. The trustees of the office, and the duties attaching to it, as soon as they were appointed, the bankers' clerks generally were ready to co-operate for the purpose of guaranteeing one another; and in order to show their confidence in the success of the scheme, as well as to mark their sense of the importance for integrity which bank clerks generally have established, several banking houses in London and elsewhere have subscribed by way of reserve, in order to make the security absolutely safe, until 5,000 policies shall be taken up.

If they had not commenced business until this number of policies had been actually taken up and paid upon, an indefinite delay would have occurred, for there is nothing like that number of premium policies in any one quarter. But as nothing more was needed for the purposes than to be satisfied that bankers' clerks were ready to co-operate in the co-operative association for the purpose of guaranteeing one another, fidelity, and being convinced of this by a considerable number of testimonials for policies already in hand, the operations of the fund were commenced after the publication of the prospectus, and many whose policies were taken up the Lady-day quarter were thus enabled to save a whole year's premium.

The thanks of the clerks are due to bankers generally for their assistance in which they have come forward to assist them in abolishing a system that has been a grievance to them so long—a grievance of which the imputations which the amount it was computed at was less than from the amount itself—for without their interest and assistance it would not have attained its present secure and satisfactory position. It was intended to introduce anything new into the conditions of the bond, nor to narrow the limits of its obligations, nor to increase the cost to them, but simply to reduce the cost; therefore, bankers were requested to approve an institution by which their clerks would be benefited, and their own interests in no way interfered with.

I trust that the importance of the subject, and the interest which it has in it, will be a sufficient excuse for the length to which I have extended my remarks. I thank "A Bank Manager" for his inquiries no less than for his cordial good wishes for our institution. I thank you, Sir, for having opened the pages of your magazine to the free discussion of this guarantee question, and that the principle of the new institution, and the views which I have expressed in my letter, will receive the support of your powerful and influential voice.

I am, Sir,

Your obedient servant

HENRY

Secretary to the Bankers' Guarantee

will probably be read by most of the bank managers
 om, including the heads of branch offices, there are
 I take this opportunity to request as many of them
 one so, to be so good as to ascertain the names of
 ive establishments, whose wish it is, as the year goes
 elves members of this fund, and furnish me with the
 onveniently can. In no single instance as yet where
 een expressed on the part of the staff of a bank to
 d as the means of providing their securities, and the
 al branches have been sent in, have we failed to ob-
 eir employers at the head office. But it is for managers
 s to come forward first, for it is naturally not the
 rs to force upon them the adoption of any new mode
 urities, and the wish on our side only is that they
 re is this new mode, should understand its advantages,
 selves accordingly. Let them do this, and there
 guarantee fund for the whole body of bank officials
 Ireland, of which each member will be for as long
 king service.—H. Y.

CHEQUES PAYABLE TO ORDER.

connected with cheques made payable to *order* have
 ur pages, but there is one which, as far as I remember,
 mentioned, and which I think may not be altogether
 ice.

ntly employed, states that "this cheque requires the
 erson to whom it is payable." This has the advan-
 payee's attention to the fact that his signature is re-
 e disadvantage of causing the signature to be *endorsed*
 eck. The present practice, in fact, compels every one
 cheque made payable to *order*, to turn it over to see
 ment is given.

bviate this inconvenience, to propose a slight altera-
 cheque now in use, and to assimilate it to the general
 rants, which, when made payable to *order*, usually
 out on the *face* of the warrant for the signature of

uld have the advantage that any one looking at the
 the first glance whether the signature of the payee
 it would also render the correctness of the payee's
 y seen, and whether it exactly corresponds with the
 the cheque.

e proposed would be as follows :—

nts—Messrs. Cash & Co.

" Silvertown, April 18, 1865.

akers & Co., Silvertown.

Geo. Gold or order,

" Ten Pounds. Thos. Twentyman.

gn here.....Geo. Gold.....Signature."

If you would give this suggestion a place in your paper, bankers who were inclined to adopt it would not mind signifying their acquiescence to you; and if the alteration of a few of the leading firms and companies I feel very little doubt would so thoroughly recommend itself by the trouble it would shortly become general.

I am, Sir,
Yours

TOUTING FOR BUSINESS.

SIR,—As a branch manager of a recently-established bank, I can quite endorse all that has been written by you in your "J. D. F." condemnatory of the practice of "touting" and unfortunately, so prevalent amongst banks. I have myself experienced the great inconvenience of having to deal with persons who have been previously solicited by me to open a bank account, and have sometimes been compelled to yield a point which, if I had voluntarily become my customer, I should not have yielded. "great want felt," as the prospectuses used to say, but not a great deal of business for the banks which were said to be so much in want of it.

Let there be a few more amalgamations between new banks and then this high pressure system can be set aside, rest reasonably looked for, commercial credit will not be unduly depressed, and bank managers will be relieved of the dirty work of "touting" for business."

I am, Sir,
Your obedient

April 15th, 1865.

ARE COUPONS LIABLE TO STAMP DUTY?

Whitehaven, 23rd April 1865.

DEAR SIR,—The law regarding these documents is at present in an uncertain state, may I ask if you can throw any light upon the matter thereon.

By some they are considered as drafts, promissory notes, &c., consequently liable: by others, again, they are not, as they want the essential character of these documents, the signature of the drawer.

An answer at your convenience will much oblige,
Your constant

[The question referred to was discussed in a letter of the 18th inst. for 1860, pages 518, 519. On looking to the Act 23 Vic. c. 11, the view therein taken is correct, although it is not generally known.]

CHEQUE OUT OF DATE.

Norwich, April, 1865.
more than twelve years since, payable to his landlord in the ordinary course of business, but B., from reason, has never presented the cheque for payment. It has been mislaid, and now B. is dead; his representative has the above-mentioned cheque; can they compel A. by law to pay the cheque after the lapse of twelve years, assuming, of course, that A. is alive and able to do so without A.'s special order to that effect? *The Bankers' Magazine* be so good as to answer the

H. S.

The payment of the cheque is barred by the statute of

ENDORSED CHEQUE.

5, Duke Street, Cannon Street,
Manchester, 8th April, 1865.

A cheque payable to bearer has afterwards been endorsed by B. payable to order, is the drawee in such a case obliged to pay on such endorsement, or must he still pay it to bearer? *The Bankers' Magazine* above in the next number of the *Bankers' Magazine*

Yours respectfully,

A SUBSCRIBER.

being originally made payable to bearer, is not barred by the statute of limitations.]

MERCANTILE BANK OF INDIA, LONDON, AND CHINA.

Chartered Mercantile Bank of India, London, and China, previously to the meeting. The audited balance-sheet, account of the bank, for the year ended 31st December 1864, providing for all bad and doubtful debts, and demerit management at all points, the net profit amounts to £75,831 undivided profit has to be added a sum of £201,913. Out of the preceding year, making a total of £277,744. Out of £136,153 has been paid in two half-yearly dividends, 10 per cent. on the paid-up capital of the bank. The undivided profit of £65,760 is carried forward to the profit and loss account of the next year. The last instalment of £12. 10s. per share, upon the 10,000 new shares issued 1st December, 1864. The Newera Ellia and Tuticorin agencies have been opened, answering expectations, and for a similar reason the bank will be closed at the end of the current year.

Estates of Failed Firms.

THE ESTATE OF MR. DAVID LEOPOLD

THE creditors of Mr. David Leopold Lewis met on the offices of Messrs. Lawrance, Plews, and Boyer, to consider the mode of liquidation, and after a lengthened explanation and considerable deliberation, they unanimously determined under a deed of inspectorship. At the same time it was decided that an application should be made to the Court of Chancery, where possible, for the purpose of arriving at the rights of all in the shares, stocks, and bonds of the Cork and Yougha. These comprise nearly the whole of the assets of the debtor's estate. The liabilities of Mr. Lewis are about £350,000, and it is feared that the creditors will not obtain a favourable dividend.

THE ESTATE OF MESSRS. BUCHANAN, HAMILTON, AND CO.

THE creditors of Messrs. Buchanan, Hamilton, and Co. are Messrs. Jarvie, Thorburn and Co., of Shanghai. Geo. May and Co., of Singapore), held a meeting on the 12th April, at which Geo. May, of the firm of May, Matthewson and Co., was called to the chair. Mr. William Anderson, of Glasgow, accountant, presented a statement of the affairs, from which it appeared that the assets were estimated at £632,068, and the liabilities at £632,068. Mr. Murray, of London, and Mr. J. S. Fleming, of Glasgow, explained the position of the estate, and the following resolution was unanimously adopted:—That the meeting be adjourned to the 3rd July next, and that in the meantime the business be conducted under the inspection of Mr. George May, Mr. Michael Connal, and Mr. Anderson, the accountant; that the banks and other parties in the United Kingdom do not send their bills abroad or take any action during the adjournment of the meeting, and that all payments be made with the approval of the inspectors.

THE ESTATE OF MESSRS. BREMNER

A MEETING of the creditors of Mr. George W. Bremner, of Glasgow, firm of Messrs. Bremner and Co., merchants, and shipowners, was held on the 12th April, when it was agreed to carry out a liquidation. The debts and liabilities were stated to be £48,911, and the assets £52,441; but of course the latter are subject to realization. Messrs. Killingsworth and Son, accountants, prepared the statement. Great sympathy was expressed for the debtor.

MERCANTILE SUSPENSIONS.

wing suspensions have been announced during the past month :—
 th.—Messrs. Bremner and Co., London, East India and Brazilian
 trade.

l.—Messrs. Kelson, Tritton and Co., London, East India and
 general merchants.

rs. C. Joyce and Co., London, India and Egyptian trade.

rs. A. Skwarco and Co., London, iron and steel trade.

rs. J. and J. Cogan, Glasgow, spinners and manufacturers.

rs. Buchanan, Hamilton, and Co., Glasgow, East Indian mer-
 chants.

MONTHLY CHRONOLOGY.

29.—Suspension announced of Messrs. Bremner and Co., of
 Helen's, in the East India and Brazilian trades, with liabilities
 g to £150,000.

—Stoppage of Messrs. Kelson, Tritton, and Co., of Old Broad
 st India and general merchants, with debts extending to about

lure of Messrs. C. Joyce and Co., of Moorgate Street, engaged
 dian and Egyptian trades, with liabilities extending to about
 0.

suspension of Messrs. A. Skwarcow and Co., in the iron and steel
 d with connexions in Sheffield and Italy.

oppage of Messrs. J. and J. Cogan, of Glasgow, spinners and
 urers, with £100,000 liabilities.

ntelligence received from America of the evacuation of Richmond
 rsburg, by the Confederates, and the occupation by the Federal

suspension of Messrs. Buchanan, Hamilton, and Co., of Glasgow
 a merchants, with liabilities reaching to upwards of £1,000,000
 ews arrived from New York of the surrender of General Lee and
 to General Grant.

ne Czarowitz, the eldest son of the Emperor of Russia, and heir
 to the Russian throne, died at Nice, in the 22nd year of his age.

ntelligence received from America that President Lincoln was shot
 assassin at Ford's Theatre, Washington, on the night of the 14th

in the effects of which he died early on the following morning.

me moment, another assassin made an attempt on the life of Mr.
 t his residence, by stabbing him several times about the neck and

e at the same time felled Mr. Frederick Seward, the son of the
 o, it is reported, died in the course of the following day. The

murderer of Mr. Lincoln is an actor named Wilkes Booth. At
 Mr. Seward's assassin is said to be unknown.

BANKING OBITUARY.

On the 11th April, at Essex Road, Islington, Mr. Thomas Paul, Esquire, aged 79. He had been engaged for a period of his life in banking business, and, as a partner in the London Banking Company from its establishment in the year 1832, he took a very active and efficient part in the management of the same.

On Saturday, the 15th April, at his residence, Langport, Thomas Paul, Esquire, aged 79. He had been engaged for a period of his life in banking business, and, as a partner in the London Banking Company from its establishment in the year 1832, he took a very active and efficient part in the management of the same.

Notes of the Month.

THE BANKERS' GUARANTEE AND TRUST FUND.—It is announced that Mr. George Thomas Brooking is added to the list of members of the Bankers' Guarantee and Trust Fund. This association, which was established in 1853, and is now in active operation, is for the purpose of general co-operation among bank officials, in order to secure the establishment of a system of mutual guarantees. Several of the leading stock banks in London and throughout the kingdom have accepted the guarantee of this fund for their clerks, and it is expected that in short time it will be universally adopted.

POST-OFFICE SAVINGS BANKS.—It seems from a statement issued last month, that the sum standing to the credit of the Post-Office Savings Banks Fund, on the 31st of December last, at the National Debt Office, was £1,993,663. 2s. 3d., and on the same day there was in the Postmaster General's account a balance of £18,546.18s.1d., making in all £2,012,210.1s.4d. to meet a liability of £4,993,123. 11s. 7d. The repayments to the fund during the year were £1,834,849. 2s. 9d., and the cash received from deposits was £3,350,084. 8s. 1d. The charges and expenses incurred during the year amounted to £45,836. 1s.

FIRE AT THE BANK OF OTAGO.—A telegram was received from the Bank of Otago, Limited, on the 7th April from their clerk in Dunedin:—"Great fire on the 24th of January. Twelve shops burned. Books and cash saved; business continued as usual. The secretary adds that the premises of the bank are fully insured."

BANK MOVEMENTS.

At a meeting of the creditors of Messrs. Attwoods, Spooner & Co. of the Birmingham Joint-Stock Bank to pay 11s. 3d. in the pound, a resolution, which was carried by acclamation. The Birmingham Bank opened a branch in New Street (Attwoods' old establishment) on April 1st.

The payment of the first dividend of 8s. in the pound, on the affairs of the Leeds Banking Company, was commenced on April 1st, at 11 o'clock in the forenoon, from which hour to the afternoon, the bank premises were crowded with creditors. Arrangements had been made by Mr. Turquand, the official liquidator, to prevent overcrowding or confusion, each creditor having had a card informing him the time, between certain hours. Those persons who were to attend at the specified time were paid at the usual hours, on April 1st.

Mercantile and Exchange Bank having made satisfactory the Clydesdale Banking Company (who will act as their agent in Scotland) intend to withdraw their branch from Glasgow. The manager of the Mercantile and Exchange Bank in London has taken over the management of the Clydesdale Bank.

A meeting of the London Bank of Scotland will be held at the Bank of England, Tuesday, May 9, at two p.m., to receive a report from the directors on the progress made in the winding-up of the affairs of the bank.

The London Scottish Bank, Limited, will be in a position to meet its engagements, and that negotiations are pending with the bank for the sale of its business.

Mr. J. H. P. de la Cruz, the Columbian consul general in London, has joined the staff of the London and Venezuela Bank.

TENDERS FOR BILLS ON INDIA.

Tenders for 1,00,00,000 rupees in bills on India took place on the 6th of April at London. The proportions allotted were—to Calcutta, 2,20,000 rupees, and to Madras, 2,20,000 rupees. The minimum price was fixed at 1s. 11½d. on Calcutta and Madras, and 1s. 11½d. on Calcutta and Madras at and above the minimum price.

On Bombay no tenders were made above the minimum price. Tenders for 30,00,000 rupees took place on the 20th April. The proportions allotted were—to Calcutta 2,70,000 rupees, and to Madras 2,70,000 rupees. The minimum price was fixed at 1s. 11d. on Calcutta and Madras, and 1s. 11d. on Bombay. Tenders on Calcutta and Madras at and above the minimum price were received in full; on Bombay all the tenders were below the minimum price.

TRADE OF THE UNITED KINGDOM.

The returns for the month, and two months ending March, were issued on the 31st March, but the results were so favourable as for some time past. The decline of a quarter in the value of our exports during the month of March was due to the general dulness in business, but although the decline was in the value of our exports, the chief items of the leading articles of commerce, the chief items of the articles of cotton yarn and cotton manufactures, declared value of exports for the month last past was £12,698,121 in the same month of 1864, and in 1863, being a decline, as compared with 1864, of £1,321,907, with 1863, an increase of £2,077,638. For the two months ending March the total was £21,865,553, against £23,111,707 in 1863, which is a decrease on the former period of £1,246,154, or an increase on the latter of £4,521,822. The chief items of exports have been an increase in linen manufactures and a decline in alkali, beer and ale, coals and culm, cotton manufactures, haberdashery and millinery, hardware and iron, yarn, metals, seed oil, silk manufactures, wool, and woollen yarn, and woollen manufactures. In imports the chief items have been an increase in raw cotton, guano, hemp, raw silk, tallow, wool, coffee

and sugar; and the falling off in flaxseed and linseed manufactures, wool, spirits, tea, timber, tobacco, and wine. There has been an increase in the importation of barley, corn, but a decline in wheat, peas, beans, and whey. In the case of provisions, there has been an improvement in cheese, but eggs, but a falling off in bacon and hams, and fish. The extent of the most important variations in the principal articles.—

Exports.

	1864.
Coal and steam	tons 607,59
Cotton manufactures	yards 149,586,39
Cotton yarn	lbs. 5,780,81
Flaxseed and linseed	value £ 420,16
Flax manufactures	yards 16,375,05
Linseed yarn	lbs. 3,036,11
Iron, pig	tons 28,97
Iron, cast .....	.. 34,98
Copper manufactures .....	.. 4,78
Iron, steel, nails, &c. ....	.. 58,12
Copper .....	.. gallons 715,09
Salt and brines .....	.. value £ 132,72
Distilled spirits .....	.. lbs. 33,70
Salt and brines .....	.. gallons 440,72
Woolen goods, &c. ....	.. yards 3,186,40
Woolen and worsted yarn ..	.. lbs. 1,941,72

Imports.

	1864.
Cocoa	lbs. 472,70
Coffee .....	.. 3,478,39
Wheat .....	.. 1,421,13
Wheat-meal and flour .....	.. cwt. 537,55
Cotton, raw .....	.. " 463,11
Flax .....	.. " 83,24
Hemp .....	.. " 38,73
Hides, tanned, &c. ....	.. lbs. 389,95
Leather manufactures .....	.. pairs 874,14
Butter .....	.. cwt. 84,02
Cheese .....	.. " 45,92
Flaxseed and linseed .....	.. qrs. 164,84
Silk, raw .....	.. lbs. 277,38
Silk, thrown .....	.. " 7,19
Silk manufactures .....	.. " 220,66
Spirits .....	.. gallons 931,09
Sugar, unrefined .....	.. cwt. 298,12
Tallow .....	.. " 56,54
Tea .....	.. lbs. 12,765,29
Tobacco .....	.. " 3,294,79
Wine .....	.. gallons 1,043,26
Wool .....	.. lbs. 4,724,12
Woollen manufactures .....	.. value £ 120,29

BANK AMALGAMATION AT BIRMINGHAM.

J. L. MOILLIET and Sons, private bankers, of Birmingham, have amalgamated their business with that of Lloyd's Banking Company. This fusion was looked for, and the two remaining banks have now become a joint-stock (limited) bank. It is understood that two members of the firm, Messrs. James and Theodore Moilliet, are on the board of the new company. A formal prospectus has been issued of the new bank. It is to be styled Lloyd's Banking Company, and the capital is fixed at £2,000,000, of which £1,250,000 is to be paid up, in 25,000 shares of £50 each. Of these shares 12,500 are allotted to Messrs. Lloyds and Messrs. Moilliet, and 12,500 are to be taken at a premium of £5 each, such premium being applied to pay for the shares, and leaving the whole amount of the share capital available for the purposes of the bank. It is proposed that the remaining 15,000 shares shall be reserved for issue at such premiums, at such times, and to such persons as the board shall consider best for the interests of the company. No dividend above 10 per cent. per annum is to be paid until a dividend of 10 per cent. shall have been formed equal to a fifth of the paid-up capital. A provisional committee comprises sixty-six of the leading persons in Birmingham with the business of Birmingham and its district, and the business of the new company commence on the 1st of May.

TURKISH FINANCE.

(From the *Levant Herald*.)

Since the Easter holidays there has been an almost total stoppage of business, both monetary and commercial, during the week. Yesterday, the Khan was wholly closed, and to-day only a few important operations were transacted, at an average of last week's prices. There is, therefore, substantially no change to report in the local stocks. The shares of the Société Générale have however risen this afternoon at 3 p.m., being an advance of $\frac{1}{4}$ on last notation. Exchanges on London have also risen, to-day's rates being 109 $\frac{1}{4}$; for francs (on Marseilles), the demand has been dull.

The failure of Messrs. Joyce, Thurburn and Co.—reported last week—has been glad to learn, affected Galata less severely than was expected, the local loss from the event being little beyond £50,000. The *Levant Herald* gives publicity to the rumour of the suspension of Messrs. Neill Bros. and Co., of London and Manchester. We are very glad to be able to say that the report thus indiscreetly circulated is only the most shadowy foundation. The very latest advices from the temporary difficulty occasioned to this eminent firm by the recent fall in cotton has been tidied over, the confidence and support of their connexions enabling Messrs. Neill and Co. to meet the crisis in a manner which has left their high credit wholly unimpaired. Otherwise, the fact would be a real misfortune for cotton culture in the Levant, which owes more to the generous enterprise of this one firm than to any other. The Manchester and Liverpool combined Oriental Commercial Company has effected a fusion with the National Bank Company and the Financial Corporation—institutions brought into respectable directions during the speculative activity of last year. The combination takes the name of the Oriental Commercial Bank,

and starts with the nominal capital of £3,000,000 of which £500,000 subscribed, and nearly £500,000 paid up. Of this the National Bank £500,000 nominal, and £100,000 paid up; the Financial Bank £150,000 nominal, and £150,000 paid up; and the Oriental Bank £300,000 subscribed, and £105,000 paid up. With resources, a new enterprise, if cautiously and intelligently conducted, and very profitable business,—independent banking of a kind specially adapted to the habits of the country, yet offering facilities, being one of the chief commercial wants of the Levant. The return of the Imperial Ottoman Bank and its branches ending February 28, shows an increase of 4,070,825p. in the notes in circulation, as compared with the previous account. In the bills discounted there is a diminution of 1,129,174p. and in advances, on public securities and merchandise of the Treasury balance has also fallen to 1,129,174p., as compared with 14,670,014p. at the date of the previous return.

IMPERIAL OTTOMAN BANK. RETURN OF 28TH FEBRUARY 1900.

ASSETS.									
Capital not called up	...	...	...	...	...	...	...	...	...
Cash { at Constantinople	...	...	...	...	...	...	...	...	...
in the Branches	...	...	...	...	...	...	...	...	...
Bills discounted, and other securities	...	...	...	...	...	...	...	...	...
Current and drawing accounts of the Imperial Treasury	...	...	...	...	...	...	...	...	...
Current and drawing accounts—Debtors	...	...	...	...	...	...	...	...	...
Advances on public securities and merchandise	...	...	...	...	...	...	...	...	...
Bank premises and furniture	...	...	...	...	...	...	...	...	...
Sundries	...	...	...	...	...	...	...	...	...

LIABILITIES.

Capital	...	...	...	...	...	...	...	...	...
Bank notes in circulation { at Constantinople	...	...	...	...	...	...	...	...	...
in the Branches	...	...	...	...	...	...	...	...	...
Bills payable	...	...	...	...	...	...	...	...	...
Current and drawing accounts of the Imperial Treasury	...	...	...	...	...	...	...	...	...
Drawing and current account—Creditors	...	...	...	...	...	...	...	...	...
Deposits for fixed terms	...	...	...	...	...	...	...	...	...
Dividends payable	...	...	...	...	...	...	...	...	...
Reserve	...	...	...	...	...	...	...	...	...
Sundries	...	...	...	...	...	...	...	...	...

Certified—E. GILBERTSON, *Director-General*.

Monetary Intelligence.

MONETARY REVIEW FOR THE MONTH OF FEBRUARY 1900.

THE appearance of financial and commercial affairs during the month has been quiet. The low rates of money have not stimulated trade, and the depreciated prices of produce have caused further depression in mercantile circles. The losses in the principal staple commodities have created depression, the effect of which has been to keep the market for the remainder of the month. The effect of the strain of the autumn is now fully perceived.

any of these disasters did not then occur, or a complete panic
 ve ensued. The intelligence of the assassination of Mr. President
 has produced an immense sensation, American stocks being
 influenced, a large advance having previously followed purchases
 render of General Lee's army. It is, however, hoped that with
 rudence the state of things will settle down; but if anything like
 should be experienced the consequences will prove most
 At the last moment, to exercise a healthy influence, the
 as been developed, and it is certainly one of the most satisfactory
 years. With a balance of nearly £4,000,000 available, the
 r of the Exchequer has prudently reduced the income-tax 2*d.* in
 , the duty on tea has been lowered 6*d.*, and the duty on fire
 has been placed at an uniform rate of 1*s.* 6*d.* The supply of
 s been very good until the last two or three days. In addition
 ital required for the new financial operations of Turkey, there
 some withdrawals for America. The demand at the end of the
 s carried the rate to 4 per cent., the lowest quotations for first-
 r. The favourable feature in the Budget of a reduction of 6*d.* in
 n tea has already caused a rise in the price of the leaf of 2*d.* per lb.
 like those of Messrs. Buchanan, Hamilton and Co., of Glasgow, and
 elson, Tritton and Co., of London, it will prove a great boon, and
 bably prevent some firms from actual failure.

ous fluctuations have taken place in English securities. The
 is now to advance, and it is expected that the government broker
 y resume his official purchases to the extent of nearly £600,000
 of the commissioners of the national debt, and the sinking fund.
 s been a good demand for foreign stocks, but although prices
 d to some extent in the course of the month, they are, with but
 ions, at nearly the same quotations as at the close of March.
 fluctuations have been in the Confederate Loan, which has been
 eclining in consequence of the great progress made by the
 oops, and the ultimate surrender of General Lee. Spanish and
 tocks, have been speculatively dealt in to some extent, but with-
 ing any considerable fluctuations in the values; the changes that
 n place, being due more to the internal position of the respective
 than to any other causes. The Italian loan continues heavy,
 considerable discount.

s shares have been generally in good demand, and prices for most
 ing descriptions have shown a further advancing tendency; the
 ing upheld by the stability of prices in the other departments,
 ntinued favourable nature of the traffic receipts. To some ex-
 ver, prices were for a time unfavourably affected by the news
 rica, but a general recovery subsequently took place.

ock bank shares have been generally flat, but the transactions
 on an average scale. Some of the new undertakings, however,
 n rather more stability, purchases having been made under the
 n that such shares may yet attain a higher premium. Credit
 e shares have exhibited rather more firmness, but the dealings
 ve not been particularly active.

duce markets continue very dull, the recent heavy speculations
 and sugar, with, in some cases, their disastrous results, are still
 epressing influence. The reduction in the Bank rate of discount

having failed to give the buoyancy that might have been expected. Confidence is again restored much activity cannot be expected. Details of the Budget were published, prices became rather firm, and of tea advanced.

THE GRAIN TRADE.

THE grain markets throughout the country have been active during the past month, but, as is usual at this time, prices have in general had an upward tendency. The imports of all descriptions of grain have been considerably under the quantities of home-grown brought forward have been all demands. The last average quotations were:—Wheat, 38s. 4d. per qr.; barley, 30s. 0d. per qr.; and oats, 22s. 7d. per qr., with a fall of about 1s. 3d. per qr. on each description since last month.

The Gazette returns for England and Wales have been as follows:

Week ending, 1865,	Wheat. Qrs. sold.	Weekly Average.	Duty.
		s. d.	£.
March 25	71,992 ...	38 4 ...	1
April 1	73,924 ...	38 11 ...	1
" 8	75,137 ...	39 8 ...	1
" 15	61,605 ...	40 1 ...	1
" 22	62,003 ...	39 7 ...	1

The importations since the harvest of 1864 have been as follows:

	Wheat. Cwts.	Other.
Thirty-five weeks ended 18th March	11,220,766	15,900,000
Five weeks ended 22nd April	577,117	1,700,000
	11,797,883	17,600,000

And the weekly averages have been:—

Thirty-five weeks ended 18th March ...	320,000	4
Five weeks ended 22nd April ...	115,000	3
	Less 205,000	1

STATE OF TRADE.

In the early part of the month business affairs were looking up. That is scarcely the case now. The Americans have induced an increased extent of caution.

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February formerly in May and November. This has been rendered necessary by the Meetings of the Banks and Discount Companies, which will be advertised in the pages of the *Bankers' Magazine*. We shall also give the proceedings of the Credit and Finance Companies as they are more or less associated with our subscribers and readers can refer to them without difficulty. We will please forward communications addressed to the Editor, No. 1, Groombridge and Sons, Messrs. Waterlow and Sons, Carpenters' Hall, London Wall.

BANKING AND FINANCIAL ANECDOTES.—It will be perceived from our Editor of the *Bankers' Magazine* is collecting and arranging a series of Anecdotes. Any contributions from subscribers and readers of the *Bankers' Magazine* are thankfully received, particularly if the subject-matter shall not have been printed. Nothing personal or offensive will receive publicity.

We thank our correspondent T. for his two anecdotes, which will appear in course.

Two or three communications still stand over.

BANK OF FRANCE.

DEBTOR.

March 30.	April 6.	April 13.	April 20.
F. C.	F. C.	F. C.	F. C.
182,500,000 0	182,500,000 0	182,500,000 0	182,500,000 0
7,040,807 97	7,042,871 82	7,042,904 27	7,043,377 64
22,105,750 14	22,105,750 14	22,105,750 14	22,105,750 14
4,000,000 0	4,000,000 0	4,000,000 0	4,000,000 0
764,783,125 0	786,434,775 0	606,657,975 0	811,751,175 0
7,336,716 8	6,951,784 46	6,236,498 76	6,001,694 14
142,269,079 57	94,986,311 75	94,550,231 57	95,499,018 62
131,918,748 57	138,726,379 38	106,107,185 29	106,215,916 75
26,367,852 0	23,342,521 0	24,727,502 0	26,725,417 0
1,402,612 75	1,291,402 75	1,094,967 75	1,020,437 75
7,977,746 48	8,622,006 18	9,017,213 23	9,502,740 80
2,789,444 5	2,789,444 5	2,789,444 5	2,789,444 5
8,789,381 75	15,345,900 15	12,445,370 36	11,666,192 18
309,279,294 36	1,299,098,846 51	1,279,175,042 42	1,287,610,364 7

CREDITOR.

March 30	April 6.	April 13.	April 20.
F. C.	F. C.	F. C.	F. C.
456,099,812 5	454,945,361 7	432,776,299 38	430,925,270 12
437,636 84	3,195,539 94	726,755 29	820,391 15
261,992,309 7	250,619,532 28	261,867,452 8	260,534,900 0
271,249,942 0	289,779,046 0	270,932,779 0	272,974,241 0
19,378,796 35	19,160,596 35	20,514,696 35	21,200,796 35
3,094,332 0	3,370,185 0	3,606,895 0	3,422,795 0
14,220,100 0	14,602,700 0	14,415,200 0	14,672,700 0
8,739,100 0	8,931,200 0	8,890,000 0	9,076,750 0
29,198,000 0	29,562,100 0	29,391,200 0	29,520,400 0
17,571,250 0	17,930,350 0	17,921,650 0	18,172,050 0
598,200 0	545,100 0	566,100 0	564,200 0
329,950 0	338,350 0	334,950 0	347,350 0
60,000,000 0	60,000,000 0	60,000,000 0	60,000,000 0
12,990,750 14	12,990,750 14	12,990,750 14	12,990,750 14
36,668,737 91	36,558,737 91	36,557,487 91	36,557,487 91
100,000,000 0	100,000,000 0	100,000,000 0	100,000,000 0
8,452,399 0	8,471,290 0	8,471,320 0	8,471,365 0
974,297 65	1,031,807 86	1,045,572 21	1,260,018 85
7,445,092 36	8,876,109 98	8,275,835 6	6,108,898 55
309,279,294 36	1,299,098,846 51	1,279,175,042 42	1,287,610,364 7

FLUCTUATIONS IN ENGLISH AND FOREIGN RAILWAY SHARES.

	Price on March 23.	Highest.
ENGLISH FUNDS.		
Consols	89½ to 89½	91½
Exchequer Bills	3 to 6pm	8 pm
FOREIGN STOCKS.		
Brazilian	—	102½
Buenos Ayres	—	92
Chilian	—	105
Dutch 2½ per cents.	—	63
Mexican	26½	27½
Peruvian 4½ per cents.	—	85½
Russian	91	91
Spanish	48½	48½
Turkish 6 per cents.	94	94½
Ditto 4 per cents.	100	101
RAILWAY SHARES.		
Brighton	108½	108½
Caledonian	132	133
Great Eastern	47½	48½
Great Northern	129½	134
Great Western	74½	76½
Lancashire and Yorkshire	115½	123½
London and North Western	117½	124
Midland	132	137½
North Staffordshire	77½	79
South Eastern	84	87
South Western	95½	97½
York, Newcastle, and Berwick	107½	112½
York and North Midland	99½	104
East Indian	102	104½
Northern of France	—	41½

CREDIT, FINANCE AND DISCOUNT

	Share.	Paid.	London latest Prices.	
Australian Mortgage, Land and Finance (Lim.)	25	3	3	Imperial Mercantile (Lim.)
Consolidated Discount (Lim.)	50	10	5	International Land Joint Stock Disc.
Contract Corporation (Lim.)	100	5	1½	Land Credit of India
Crédit Foncier of Mauritius (Limited)	50	10	6	Land Securities
Crédit Foncier and Mobilier of England	20	5	9½	London Finance
Ditto	20	3½	9½	London Mercantile
Discount Corporation (Lim.)	100	20	14	Mauritius Land
East India Finance	50	7½	5	Agency (Lim.)
Egyptian Commercial and Trading	20	4	3	National Discount
English and Foreign Credit Financial Corporation	50	7½	5	National Finance
Financial Discount (Lim.)	50	10	4½	Oriental Finance
General Credit and Finance of London (Lim.)	23	4	5½	Ottoman Finance
International Financial Society (Lim.)	20	5	6	Société Financière
International Contract	50	10	7½	(Lim.)
				South African M
				Investment (L
				Warrant Finance

JOINT-STOCK BANKS.

	Share.	Paid.	London latest Prices		Share.	Paid.	London latest Prices
	£	£	£				
Bank of America	100	50	114	London Bank of Scotland	100	13	6
Bank of England	50	25	57	(Lim.)	100	40	47
Bank of France	50	10	6½	London and Brazilian Bank	100	22	13
Bank of India	100	25	33	London, Birmingham & Sth.	100	40	49½
Bank of Japan	100	15	22½	Staffordshire (Limited)	100	25	12
Bank of Mexico	20	6	7½	London, Buenos Ayres and	100	40	49½
Bank of New York	50	12½	12½	River Plate, Limited	25	10	12
Bank of Spain	50	15	11½	Ditto, New, issued at	20	30	24
Bank of Siam	20	2½	10½	1½ pm.	50	20	78
Bank of the Indies	40	40	70	London Chartered of Australia	100	19	1
Bank of the Orient	40	40	69	London and County Bank	50	15	5
Bank of the Pacific	25	25	31	London, Hamburg, Cont.	100	20	22
Bank of the South Sea	100	50	133	Exchange (Lim.)	100	20	20
Bank of the United States	20	7	5	London Joint Stock Bank	50	10	6
Bank of the West	100	25	22	London & South African Bk.	100	20	20
Bank of the World	50	7½	4½	London and South Western	100	12½	12½
Bank of the World (Lim.)	10	10	17	(Limited)	50	10	6
Bank of the World (Lim.)	50	25	44	Ditto, ditto, New	100	20	95
Bank of the World (Lim.)	20	10	10	London and Venezuela (Lim.)	100	25	26
Bank of the World (Lim.)	50	50	44	London & Westminster Bank	50	10	7½
Bank of the World (Lim.)	20	15	17½	Merchant Bank (Limited)	100	20	17
Bank of the World (Lim.)	20	20	26	Mercantile Exchange (Lim.)	100	10	7
Bank of the World (Lim.)	25	25	53	Metropolitan and Provincial	100	20	14
Bank of the World (Lim.)	100	50	107½	Bank, Limited	100	30	97
Bank of the World (Lim.)	100	25	41	Ditto, New	50	25	92
Bank of the World (Lim.)	20	20	...	National Bank	100	10	17
Bank of the World (Lim.)	25	25	36	Ditto, New	100	43	...
Bank of the World (Lim.)	10	4	10½	National Provincial Bank of	20	12	...
Bank of the World (Lim.)	100	25	22½	England	20	12	...
Bank of the World (Lim.)	100	15	14	Ditto, New	20	12	...
Bank of the World (Lim.)	50	5	5½	Ditto, ditto	20	12	...
Bank of the World (Lim.)	20	5	4	New South Wales	20	20	43½
Bank of the World (Lim.)	20	20	20	New Zealand Bank Corpora-	10	1	1
Bank of the World (Lim.)	50	15	11½	tion (Limited)	10	1	...
Bank of the World (Lim.)	50	15	12½	Ditto, New	20	7½	11½
Bank of the World (Lim.)	100	25	19	North Western	25	25	53½
Bank of the World (Lim.)	100	15	10	Oriental Bank	25	25	...
Bank of the World (Lim.)	100	20	30	Do. New, issued at 20 pm.	50	5	...
Bank of the World (Lim.)	20	10	10½	Provincial Banking Corpo-	50	10	7½
Bank of the World (Lim.)	25	25	27	ration	100	25	87½
Bank of the World (Lim.)	25	5	5½	Ditto, New	10	10	...
Bank of the World (Lim.)	20	4	4½	Scinde, Punjab and Delhi	20	10	8½
Bank of the World (Lim.)	50	12½	10½	(Limited)	20	2	...
				Ditto, issued at 2 pm.	25	25	35
				South Australian	25	10	8
				South Eastern (Lim.)	100	25	23½
				Standard of British Africa	100	25	23½
				(Limited)	100	10	8½
				Ditto	25	25	55½
				Do. New, issued at 6 pm.	100	22	18
				Union Bank of Australia	50	15	54½
				Union Bank of Ireland, Lim.			
				Union Bank of London			

Bank of England Weekly R

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the

ISSUE DEPARTMENT.

	1865. March 29.	1865. April 5.
	£	£
Notes issued	29,224,100	29,051,650
Government debt	11,015,100	11,015,100
Other securities	3,634,900	3,634,900
Gold coin and bullion	14,574,100	14,401,650
Silver bullion		
	29,224,100	29,051,650

BANKING DEPARTMENT.

	1865. March 29.	1865. April 5.
	£	£
Proprietors' capital	14,553,000	14,553,000
Reserve	3,923,637	3,122,231
Public deposits (Including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	9,839,430	9,331,615
Other Deposits	13,478,242	14,172,353
Seven day and other bills	437,424	449,898
	42,231,733	41,629,097
Government Securities (including Dead Weight Annuities)	11,023,211	11,110,839
Other Securities	21,150,843	21,515,431
Notes	9,272,780	8,149,045
Gold and Silver coin	784,889	853,783
	42,231,733	41,629,097

THE EXCHANGES.

	March 31.	April 7.
Amsterdam, short	11 17	11 17½
Ditto 3 months	11 19½	11 19½
Rotterdam, ditto	11 19½	11 19½
Antwerp, ditto	25 52½	25 50
Brussels, ditto	25 52½	25 50
Hamburg, ditto	13 9	13 9
Paris, short	25 27½	25 22½
Paris, 3 months	25 50	25 47½
Marseilles, ditto	25 50	25 47½
Frankfort, ditto	121	121
Vienna, ditto	11 37½	11 35
Trieste, ditto	11 45	11 35
Petersburgh, ditto	31	31
Madrid, ditto	47½	47½
Cadiz, ditto	49	49
Leighorn, ditto	25 60	25 57½
Milan	25 60	25 57½
Genoa, ditto	25 60	25 57½
Naples, ditto	25 60	25 57½
Palermo, ditto	25 60	25 57½
Messina, ditto	25 60	25 57½
Lisbon	51½	51½
Oporto	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard)	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0
Silver in Bars (Standard)	0 0 0	0 0 0

Weekly Circulation Returns.

8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

	Author- ized Issue.	AVERAGE AMOUNT.			
		March 11.	March 18.	March 25.	April 1.
	£	£	£	£	£
.....	11,849	11,868	11,415	11,706	12,320
.....	48,461	22,453	21,992	22,420	22,434
Bank	37,223	18,074	17,187	17,041	17,267
.....	17,182	3,455	3,547	3,701	3,993
.....	34,218	27,336	26,956	27,841	28,760
Bank	27,090	14,092	14,170	14,258	14,500
and Co.	75,069	61,471	60,588	60,915	64,275
Co.	15,161	14,083	14,390	14,670	14,290
.....	10,028	6,777	6,670	6,398	6,541
.....	48,277	20,861	19,980	20,385	21,731
h Bank	26,717	14,144	13,837	13,541	14,770
.....	29,557	19,092	19,017	19,401	18,024
.....	82,362	49,224	48,121	46,850	48,215
.....	43,457	23,798	23,439	24,144	24,423
.....	55,153	21,095	20,827	21,081	21,060
Buzzard Bk.	36,829	34,668	33,030	32,746	32,752
ds & Co.	38,816	25,325	18,965	12,125	11,845
.....	68,271	38,678	38,925	38,899	40,575
.....	33,794	22,190	21,578	21,450	22,539
l Bank.....	12,745	11,370	10,701	10,835	11,611
nk.....	3,201	2,599	2,746	2,833	2,957
lock & Co.	25,744	11,822	11,582	11,737	12,201
geshire Bk.	49,916	38,585	39,364	39,398	39,461
.....	33,671	26,116	25,716	25,515	25,332
.....	23,597	12,187	12,238	12,680	12,375
.....	3,436	3,151	3,033	2,867	2,985
.....	25,082	16,646	16,270	16,300	16,875
Bank	48,704	29,531	29,509	29,116	29,694
y & Co.	49,869	26,190	24,843	26,109	27,922
.....	12,045	4,556	4,245	4,309	4,268
.....	21,527	14,596	15,222	15,612	15,197
s & Co.	77,154	73,119	74,503	76,207	76,578
.....	9,387	6,625	6,449	6,597	7,422
Evans & Co.	13,332	9,576	10,387	10,605	10,719
nd Co.	41,304	29,925	33,040	34,070	35,265
.....	27,237	29,922	27,222	24,920	25,520
Bank	20,674	5,557	5,585	5,835	6,235
.....	10,657	10,168	9,702	10,235	10,150
etford Bank	77,400	63,361	61,789	62,033	62,890
.....	86,218	85,175	85,519	86,433	85,430
.....	10,664	6,240	5,902	6,206	6,561
.....	48,807	35,393	34,949	35,110	34,925
obins & Co.	112,280	72,287	71,179	75,323	75,773
ower & Co.	53,392	48,669	48,492	47,897	48,495
ortford Bk.	69,637	36,277	35,570	35,869	36,647
.....	37,894	19,834	20,093	19,660	20,757
.....	14,202	5,857	5,605	5,630	5,855
.....	6,681	4,920	4,890	4,771	4,780
.....	6,322	5,666	5,449	5,355	5,447
.....	14,524	10,071	10,136	10,373	10,469
ry and Co.	30,372	22,092	21,774	22,676	21,175
-Hull Bank	19,979	18,208	18,129	17,850	20,024
County Bank	56,591	33,489	32,730	32,941	33,396
.....	5,778	5,469	5,099	5,300	5,342
Bank	38,764	32,062	32,064	31,250	32,652
.....	21,901	19,510	18,882	18,448	19,599

NAME OF BANK.	Author- ized Issue.	AVER	
		March 11.	Mar
	£	£	
57 Ipswich & Needham Market Bank	80,699	55,111	54,
58 Kentish Bank—Mercer & Co. ...	19,895	13,760	13,
59 Kington and Radnorshire Bank...	26,050	17,106	16,
60 Knaresborough Old Bank	21,825	19,808	20,
61 Kendal Bank	44,663	42,305	41,
62 Longton Staffordshire Bank	5,624	5,283	5,
63 Leeds Bank	53,357	54,084	53,
64 Leeds Union Bank	37,459	35,101	33,
65 Leicester Bank	32,322	22,086	22,
66 Lewes Old Bank	44,836	28,470	27,
67 Lincoln Bank	100,342	81,208	80,
68 Llandovery Bank & Llandilo Bank	32,945	8,726	9,
69 Loughborough Bank	7,359	7,387	7,
70 Lymington Bank	5,038	3,318	3,
71 Lynn Regis and Lincolnshire Bank	42,817	30,938	30,
72 Lynn Regis and Norfolk Bank ...	13,917	12,033	11,
73 Macclesfield Bank	15,760	11,686	11,
74 Manningtree Bank	7,692	5,631	5,
75 Merionethshire Bank	10,906	4,772	4,
76 Miners' Bank	18,688	18,075	17,
77 Monmouthshire Agricultural and Commercial Bank	29,335	27,399	25,
78 Monmouth Old Bank	16,385	4,168	4,
79 Newark Bank	28,788	20,580	20,
80 Newark and Sleaford Bank	51,615	40,160	41,
81 Newbury Bank	36,787	13,949	13,
82 Newmarket Bank	23,098	16,668	16,
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	46,552	45,
84 Norwich and Norfolk Bank	105,519	76,152	76,
85 Nottingham & Nottinghamsh. Bk.	10,866	7,255	8,
86 Naval Bank, Plymouth	27,321	22,778	21,
87 New Sarum Bk.—Pinckneys, Bros.	15,659	7,425	7,
88 Nottingham Bank	31,047	23,382	23,
89 Oswestry Bank	18,471	10,778	10,
90 Oxford Old Bank	34,391	32,315	32,
91 Old Bank, Tonbridge	13,183	9,652	9,
92 Oxfordshire Witney Bank	11,852	8,365	8,
93 Pease's Old Bank, Hull	48,807	45,712	44,
94 Penzance Bank	11,405	7,446	7,
95 Pembrokeshire Bank	12,910	8,801	8,
96 Reading Bank—Simonds & Co....	37,519	26,145	25,
97 Reading Bk.—Stephens, Blandy & Co.	43,271	27,686	26,
98 Richmond Bank, Yorkshire	6,889	5,323	4,
99 Rochdale Bank	5,590	1,584	1,
100 Royston Bank	16,393	9,890	9,
101 Rugby Bank	17,250	10,129	10,
102 Rye Bank	29,864	10,290	10,
103 Saffron Walden & North Essex Bk.	47,646	22,435	22,
104 Salop Bank	22,338	8,638	8,
105 Scarborough Old Bank	24,813	22,594	21,
106 Shrewsbury Old Bank	43,191	31,994	30,
107 Sittingbourne and Milton Bank...	4,789	3,341	3,
108 Southampton Town & County Bk.	18,589	9,746	9,
109 Southwell Bank	14,744	8,194	8,
110 Southampton and Hampshire Bk.	6,770	1,856	1,
111 Stafford Old Bank	14,166	11,671	11,
112 Stamford and Rutland Bank	31,858	16,495	16,
113 Shrewsbury and Welsh Pool Bank	25,336	19,881	22,
114 Taunton Bank	29,799	19,241	19,
115 Tavistock Bank	13,421	9,017	8,

	Author- ized Issue.	AVERAGE AMOUNT.			
		March 11.	March 18.	March 25.	April 1.
	£	£	£	£	£
.....	10,026	7,647	7,893	7,904	8,582
Bank	13,470	8,829	8,914	9,405	9,718
g Bank..	11,559	11,450	11,317	11,690	11,525
n Bank..	13,531	13,401	12,977	12,860	12,800
.....	10,801	5,683	6,077	6,204	6,189
.....	17,003	15,638	14,188	14,290	15,502
.....	25,136	8,758	8,100	9,497	8,928
.....	17,064	6,066	5,770	5,580	5,617
ire Bank	30,504	18,680	18,462	18,393	18,427
set	6,528	1,853	1,883	2,086	2,166
.....	46,158	42,206	40,700	38,061	39,610
.....	14,258	14,035	13,920	13,813	13,624
Alton Bk.	25,892	10,013	9,905	9,803	10,452
.....	16,461	15,647	15,410	14,864	14,906
hire Bk.	37,602	33,174	33,248	33,633	34,358
ire Bank	59,713	34,806	33,930	35,235	36,245
.....	7,602	3,741	3,727	3,376	3,214
.....	87,448	48,371	46,333	46,901	46,800
W. Fryer	11,867	8,440	6,449	5,401	5,481
Bank	53,060	38,483	38,030	37,580	38,555
.....	13,229	9,696	9,095	8,890	9,348
.....	46,387	38,096	36,966	36,286	36,162

INT STOCK BANKS.

.....	12,225	11,270	11,378	11,945	11,986
ny	9,563	9,317	9,278	9,261	9,012
ny	49,292	48,568	48,866	48,480	49,053
Company	9,416	9,473	8,175	7,490	7,950
.....	32,681	30,345	29,941	29,781	29,360
.....	20,084	19,701	20,087	20,123	19,846
.....	60,701	43,361	46,644	47,990	49,488
.....	10,421	9,526	9,665	9,360	9,592
.....	35,395	26,681	27,671	28,320	28,988
.....	28,734	16,003	15,798	14,661	15,112
.....	16,251	11,845	12,231	11,934	12,338
.....	144,352	97,146	96,555	96,247	99,425
.....	25,610	23,625	23,742	24,521	24,700
.....	19,972	19,494	19,656	19,601	19,994
.....	37,696	30,277	26,868	23,994	23,805
.....	20,093	18,633	20,155	21,087	19,071
.....	26,134	23,827	24,999	24,795	23,796
.....	155,920	133,454	130,706	131,162	133,185
.....	18,534	15,948	15,929	15,797	15,693
.....	37,354	31,801	31,976	31,851	30,898
.....	29,333	30,061	30,568	28,004	26,535
.....	13,733	11,538	11,228	11,137	11,381
.....	44,137	34,929	35,288	33,761	33,230
.....	1,503	1,485	1,490	1,484	1,542
.....	28,059	25,653	26,590	26,614	26,222
.....	64,311	63,892	61,443	59,848	59,977
.....	86,060	55,266	54,660	55,338	57,575
.....	51,620	47,216	45,893	47,117	48,120
.....	13,875	11,608	11,260	10,922	10,700
.....	10,215	9,171	9,143	9,300	9,485
.....	35,813	27,554	26,219	26,079	28,739
.....	29,477	24,474	23,521	24,314	26,753
.....	442,371	400,245	402,281	405,820	416,823
.....	63,939	39,503	40,425	40,081	41,518

NAME OF BANK.	Authorized Issue.	AV	
		March 11.	M
	£	£	
35 Northamptonshire Union Bank ...	84,356	63,777	6
36 Northamptonshire Banking Co. ...	26,401	20,013	2
37 North and South Wales Bank	63,951	50,486	4
38 Pare's Leicestershire Banking Co...	59,300	51,683	3
39 Saddleworth Banking Company ...	8,122	335	1
40 Sheffield Banking Company	35,843	35,910	2
41 Stamford, Spalding & Boston Bk. Co.	55,721	45,884	4
42 Stuckey's Banking Company	356,976	297,114	2
43 Shropshire Banking Company	47,951	35,602	2
44 Stourbridge and Kidderminster Bk.	56,830	49,152	4
45 Sheffield and Hallamshire Bank ...	23,524	23,548	2
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	51,442	2
47 Swaledale and Wensleydale Bank...	54,372	43,820	2
48 Wolverhampton & Staffordsh. Bk.	35,378	27,782	2
49 Wakefield and Barnsley Union Bk.	14,604	14,480	2
50 Whitehaven Joint Stock Bank ...	31,916	21,854	2
51 Warwick and Leamington Bk. Co.	37,124	27,692	2
52 West of Eng. & S. Wales District Bk.	83,535	83,991	2
53 Wilts & Dorset Banking Company	76,162	74,338	2
54 West Riding Union Banking Co....	34,029	31,767	2
55 Whitechurch and Ellesmere Bk. Co.	7,475	4,730	2
56 Worcester City and County Bk. Co.	6,848	3,540	2
57 York Union Banking Company ...	71,240	70,666	2
58 York City and County Banking Co.	94,695	84,957	2
59 Yorkshire Banking Company	122,532	119,572	1

Irish and Scotch Circulation

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS, during the 12 weeks ending Saturday, the 1st day of April.

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during the 12 weeks ending as follows	
		£5 and upwards.	Under £5.
	£	£	£
Bank of Ireland	3,738,428	1,442,700	1,011,000
Provincial Bank of Ireland	927,667	398,920	471,000
Belfast Bank	281,611	113,561	308,000
Northern Bank	243,440	53,460	261,000
Ulster Bank	311,079	159,916	309,000
The National Bank	852,269	572,073	550,000
TOTALS (Irish Banks) ...	6,354,494	2,780,030	2,913,000

SCOTCH BANKS.

Bank of Scotland	300,485	149,467	296,000
Royal Bank of Scotland ...	216,451	166,915	307,000
British Linen Company	438,024	151,496	290,000
Commercial Bk. of Scotland	374,880	169,313	326,000
National Bank of Scotland..	297,024	147,028	278,000
Union Bank of Scotland ...	454,346	201,800	371,000
Aberdeen Town and Co. Bk.	70,133	52,429	71,000
North of Scotland Bk. Co...	154,319	99,705	99,000
Clydesdale Banking Co. ...	274,321	118,591	215,000
City of Glasgow Bank	72,921	124,043	221,000
Caledonian Banking Co. ...	53,434	18,485	42,000
Central Bank of Scotland...	42,933	20,423	31,000
TOTALS (Scotch Banks)...	2,749,271	1,419,695	2,552,000

WEEKLY RETURNS OF BANKS OF ISSUE.

Fixed Issues.	March 11.	March 19.	March 25.	April 1.
£4,189,091	£2,912,223	£2,866,639	£2,872,430	£2,925,046
3,226,357	2,746,985	2,741,058	2,740,480	2,796,298
7,415,448	5,659,208	5,607,697	5,612,910	5,721,344

of these Banks for

... £2,874,031
... 2,756,205

Private
ing ase with the Returns
at last, it shows:—Private
... £90,398Stock
... 17,599

... £12,797

And as compared with the month ending
April 2nd, 1864, it shows:—

A decrease in the notes of Private

Banks, of ... £241,172

A decrease in the notes of Joint-Stock

Banks, of ... 195,954

Total decrease, as compared with the

same period of last year ... £137,128

The following is the comparative state of the

circulation as regards the fixed issues:—

The Private Banks are below their

fixed issues ... £1,295,007

The Joint-Stock Banks are below their

fixed issues ... 470,162

Total below their fixed issues ... £1,765,169

IRISH & SCOTCH RETURNS TO APRIL 1, 1865.

of the Irish and
Banks ending April
the following as
a of these Banks

Banks £5,691,390

in Banks 3,972,632

e Banks
... £9,663,932with the Returns
at last, they show—

h Banks £8,229

ch Banks 96,522

... £104,751

month ending

Banks £180,990

ch Banks 50,191

... £211,493

The fixed issues of the Irish and Scotch Banks
at the present time are given in the *Banking
Almanac*, as follows:—

6 Banks in Ireland, allowed to issue ... £6,354,494

12 Banks in Scotland, allowed to issue ... 2,749,271

18 Banks in all, allowed to issue ... £9,103,765

The following appears, therefore, to be the

comparative state of the circulation:—

Irish Banks are below their fixed issue ... £660,134

Scotch Banks are above their fixed issue ... 1,223,381

Total above the fixed issue ... £563,227

The amounts of Gold and Silver held at the

head offices of the several banks, during the past

month, have been as follows:—

Gold and Silver held by the Irish Banks £2,111,291

Gold and Silver held by the Scotch Banks 2,416,713

Total of Gold and Silver Coin ... £4,528,004

Being an increase of £12,356 on the part of the

Irish Banks, and a decrease of £6,025 on the

part of the Scotch Banks, on the several amounts

held by them during the preceding month.

THE UNITED KINGDOM TO APRIL 1, 1865.

The Note Circulation of the United Kingdom for the month ending

ending 1st April, as compared with the previous month:—

Mar. 29)	March. 4.	April 4.	Increase.	Decrease.
£19,951,911	£19,750,334	—	—	201,007
2,954,140	2,891,044	—	—	60,396
2,738,606	2,756,205	—	17,599	—
25,645,027	25,400,623	—	17,599	262,003
4,069,154	3,972,632	—	—	96,522
5,702,589	5,694,380	—	—	8,229
£33,416,770	£35,067,615	—	17,599	£306,754

ending April 2nd, 1864, with the month ending April 1st, 1865.

England circulation of £245,512, a decrease in Private Banks of

£195,354; being a total decrease in England of £722,639;

decrease of £59,494; and in Ireland an increase of £160,900. Thus

1st April, as compared with the same period last year, presents a

and a decrease of £511,235 in the *United Kingdom*.

Bank of England, for the month ending March 29th, gives an

amounts of £15,077,125. On a comparison of this with the Return for

it appears to be an increase of £400,355; and an increase of £406,112

last year.

The Banks in Scotland and Ireland during the month ending 1st

increase of £3,331 as compared with the Return of the previous

as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 29th March to 25th April, 1865, inclusive.

	28	30	31	1	3	4	5	6	7	8	10	11	12	13	14	15	17	18	19	20	31	23	24	25
Bank Stock, 5½ per cent, last half-year	87½	87½	88½	88½	88½	88½	88½	211½	212	212	212	212	212	210	212	212	...	210	210	212	212	212	243	250
3 per Cent. Reduced Annuities ...	87½	87½	88½	88½	88½	88½	88½	89	88½	88½	88½	88½	88½	88½	88½	88½	...	88½	88½	88½	88½	88½	88½	89½
3 per Cent. Consols Annuities ...	89½	89½	90	90	90½	90½	90½	91	90½	90½	90½	90½	91	91½	91½	91½	...	91½	91½	91½	91½	91	90½	91½
Ditto ditto for account April 6	89½	89½	89½	89½	90½	90½	90½	91	90½	91	91½	91½	91½	91½	91½	91	...	91½	91	91	90½	91	90½	91½
Ditto ditto ditto May 9	87½	87½	87½	88	88½	88½	88½	89½	89½	89½	89½	89½	89½	89½	89½	89½	...	89½	89½	89½	89½	89½	89½	89½
New 3 per Cent. ...	87½	87½	87½	88	88½	88½	88½	89½	89½	89½	89½	89½	89½	89½	89½	89½	...	89½	89½	89½	89½	89½	89½	89½
New 3½ per Cent. ...	88	88	88	88	88	88	88	88	88	88	88	88	88	73	73	73	...	73	73	73	73	73	73	73
New 2½ per Cent. ...	...	...	...	...	...	...	...	...	...	7½	7½	...	...	...	...	...	...	73	...	...	...	...	...	...
New 5 per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Annuities for 30 years ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto 30 years ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto (Red Sea Telegraph) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
India Stock, 10½ per cent. April, 1873...	106½	105½	105½	105½	106½	106½	106½	107	106½	107	106½	106½	107	107½	107½	106½	...	107½	107½	107	107½	106½	107½	107½
Ditto 5 " " July, 1870...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto 4 " " Oct., 1888...	88½	100½	100½	101½	101½	101½	101½	99	101½	101½	102	109	109	90	101½	101½	...	102½	102	102	102	102	102	90
Ditto Encased Paper, ½ per cent.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto 5½ " "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto 6½ " "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto Loan Debentures, 1861	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto 1868	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto Bonds £1,000 (div. 5 per cent.)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto under £1,000	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Exchequer Bills £1,000, 4 per cent.	3p	3p	3p	3p	3p	3p	3p	3p	3p	3p	3p	3p	3p	3p	3p	3p	...	3p	3p	3p	3p	3p	3p	3p
Ditto ditto £500,	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto £200,	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto £100 & 200 "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

FOREIGN STOCKS.—(April 27th, 1865.)

RAILWAY SHARES.—(April 27th, 1865.)

THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

JUNE, 1865.

THE COURSE OF THE MONEY MARKET.

Course of the money-market has rather varied within the night or three weeks. It is yet not certain which way a reality tend, but at present it seems that the rates will . Both the position of the Bank of England and that of k of France continue gradually to strengthen, and if ly accounts shall exhibit further improvement it will not before we see a fresh reduction in the rate. Although not an end to commercial disturbance here and in and probably it will be some two or three months before of the character like those which have occurred at will be exhausted, still the public are now so thoroughly for them that they occasion little alarm, except in circles where losses are likely to be made. It is quite at some of these disasters are not wholly the consequence all in produce, but it appears they are likewise brought rough heavy speculations in shares. The rage in Bom- other parts of India for gambling in securities like the Reclamation Company, have, it is found, involved number of the merchants, both native and foreign, and en reaction in those and in the value of cotton, &c., has ral of these houses "high and dry." It is generally ed by those well conversant with Indian affairs that, tanding the state of panic lately prevailing at Bombay, cantile community will get through there better than , and that though losses have been made, there yet a balance of profit greatly in favour of the principal Whether the same remark will apply to China, it is to state, because no strong compensating influence has in the situation of the share market there to adjust

the losses on tea and the other staples which great a depreciation. From this point it is a have failures of importance, one or two have announced by telegram.

It was no doubt in consequence of the discount the advices from Bombay, coupled with the first American war, that acted upon our money market part of the month and carried the rate of discount per cent. With the increased pressure for a the introduction of a variety of new companies felt at the Bank of England, and the Lombards being short of capital, they placed their terms as forced the business to the Bank parlour. the official quotation was placed at the improved thought it would not long remain there; bills from circulation in consequence of failure that no alarm need exist from any undue export. At the same time it was evident that little chance of export of gold to America or elsewhere, and an inquiry for gold to India was confirmed by the succeeding telegram. With general mercantile such a state of repose, the temporary stringency given way, and fine and seasonable weather the crops, an additional circumstance has thus confidence in the future.

It was on the 4th of May that the Bank discount rate from 4 to 4½ per cent. and the result was very quickly responded to the action. Notwithstanding believed at the moment to be merely a temporary considered quite warranted by the condition of and necessary to the exigencies of the period. movement was in some quarters condemned, and of a 1 per cent. rise was discussed. But in reference to trade as to the policy of checking of new schemes which are being daily brought in view of absorbing capital. Since then we have first occasioned by the India and China suspension also successfully surmounted the critical inflation of the American war; and at length the hard labour of the weather gives an earnest of what connection with the grass crops and the harvest year.

The natural consequence of the easier conditions and the expectation that the rates will grow

the impression of the probable increase of speculative activity towards the end of the year. This feeling we do not, however, share, because the overweight of securities in the investment department will prevent, for some time at least, any great accession to the Stock Exchange, the condition of the market most unmistakeably denoted that it will be difficult to do much more. A few sound projects, the authors of which are well accredited, may be introduced, and these will in all probability be supported; but there is not the slightest chance of a great quantity of schemes being introduced until much rubbish recently patronised is swept clean away altogether.

From the examples hourly furnished of the most important private undertakings being turned into "limited liability" companies, it is evident that the principle will yet lead to greater development, but it is not so certain that all undertakings will succeed, though they may be brought within the range of the system. No doubt, promoters and others are most anxious to encourage the growth of even the most important where there are fees to extract, or general commissions to be obtained, for the services rendered. But the system thus created may, perhaps, crush those who have actively engaged in the business, when they least expect it, and when they may imagine they are on the eve of a season of prosperity. It will be well, indeed, if the public shall hesitate to encourage any attempted revival of the system, if they in the long run will be the sufferers, either through the onset of a period of adversity, or some fresh panic in the market.

As we should in reality like to see, would be increased activity in the produce markets, and a further development of the manufacturing industry. These things must come sooner or later, and we trust the period has arrived when the change will come in this direction. The merchants and others cannot be expected to make even greater sacrifices than they have at present suffered without a rally of this description takes place, and unless in the course of time the alteration must be experienced, because the demand for shipments to this side are stopped, and the process of consumption will speedily affect existing stocks. The present easy situation of the money market, nevertheless, has lessened the blow which must otherwise have been very severe, and which would, had it occurred in days of dear money, have once more shaken credit to its very centre. From the advice the authorities have represented a few commercial difficulties, but these will not, it is presumed, be viewed as alarming.

When all these sources of anxiety shall have then we shall, in a mercantile sense, begin to and find that permanent recovery which will be of another epoch of prosperity.

It is wonderful to notice the great strides in the bullion reserves of the Bank of France. They have absorbed capital by the forcing of ephemeral though loans have been negotiated in Paris, they have taken up large sums of money. This discretion on the part of the French public will be found beneficial to them in the long *temps* they should be hurried into a war with the vaults of the Bank of France have not for long been held, as at present, a total of between £120,000,000, and it may be safely asserted that the present cumstance alone places that establishment in a strong position. The total of bullion in the Bank of France is extremely satisfactory considering the drains it has now and then spasmodically suffered; and since there is no reason to imagine that the *furor* for comparison will wholly at least temporarily subside, the large available resources will be applied to the benefit of home and foreign commerce.

At the last moment at which we write, it is seen from the telegrams in from Bombay bringing intelligence of the 30th. Certain it is that these advise a continuation of credit, and a thorough confusion of money. Unfortunately at the same time it is rumoured that the late difficulties among banking establishments should prove correct, may further unhinge the government of the Presidency. It is to be hoped that the rumours are exaggerated, and that they will turn out to be some of the local institutions started during the late supposed prosperity. From the tenor of the accounts, we must be prepared to receive into the further development of the crisis, and it will be watched with vigilance in case any disasters of the kind. Little is to be feared from the English element in the money and finance market at Bombay. Where a serious mischief may ensue is among the native merchants, who, their engagements being large, may find themselves in a difficult position and attempt to repudiate them. If the crisis in Bombay shall blow over without any very serious embarrassment, affairs there will not be long before they are settled themselves.

HISTORIC OUTLINES OF AMERICAN FINANCE.

No. 16.

BUREN sought to defend the policy of General Jackson. He maintained that when the States banks, after the year 1833, depositories of public money, personal security was its safe keeping and prompt payment when demanded, all returns were to be made from time to time by the banks. The plan was at first successful; but when it became known, under the Act of June, 1836, to withdraw the money from the selected banks for the purpose of transferring it generally to the States banks in defined proportions, it was found impracticable in many cases to comply with the demands of the public, and numerous and pressing applications were made for assistance. As the instalments became due under the law, the depositories could not pay. Grasping at high prices, they had loaned what did not belong to them, and were compelled to press their debtors and withhold discounts. According to Mr. Van Buren, arose the monetary crisis; he might also to have said that the depositories were the victims of a vacillating legislation. They were first made use of as branches of the condemned national bank. While serving those purposes they were declared trustworthy and efficient, and were encouraged to make those prodigal loans and discounts which gave activity to trade and stimulated the excessive speculation. This laxity of providential restraint was not improved in the messages of General Jackson, but highly improved in the results enabled him to convince the people of his wisdom in not renewing the Bank Charter. When he had won the election, the Distribution Act was passed, which compelled the banks that had been favoured with the deposits to restore them to the Secretary of the Treasury, that he might divide them among the several States in the ratio of their population. He took the depositories by surprise, and as they could not immediately recover the loans they had been induced to make, they could not refund what they held in trust for the government. In fact, they had been entrapped into a false position for those chosen by Mr. Taney as receivers of the money believed, and reasonably believed, that it would be used with them till required for Government expenditure. He regarded the deposits as a fund or working capital on which they could safely make advances to their customers; but when Woodbury, the new Secretary to the Treasury, acting under the Distribution Act of 1836, directed the public money to

be removed from their custody and dispersed at the States in the manner directed by Congress. It was the intent of that law, and the Specie Circular that gave the blows to American industry.

Mr. Van Buren introduced another change in the finance, known as the Sub-Treasury plan, which was viewed as an attack on the whole banking system. It was rejected in two successive sessions of Congress, but was ultimately carried, and signed by the President in 1840. In proposing the Sub-Treasury plan, Mr. Van Buren proceeded on the principle that the fiscal operations of the government ought to be entirely severed from those of the States and Territories. He advised the discontinuance of the depositories of public money, recommending its custody by government officials, constitutionally controlled by law. He had not the same faith in the States as General Jackson. "When I entered on the discharge of my official duty," said Mr. Van Buren, at a turning point of his career, or in 1840, "the Act for the distribution of the surplus revenue was in the course of rapid execution. Twenty-eight millions of dollars of the public money, in pursuance of its provisions, deposited with the States in January, April, and July of that year (1837). It had incurred a general suspension of specie payments, including, with very few exceptions, those in which the money was deposited, and upon whose fidelity the government unfortunately made itself dependent for the revenue that had been collected from the people, and were indispensable to the public service." He then enlarged on the security and advantages of the Sub-Treasury plan, insisting that it could never prosper with a national bank or a national currency.

When this new financial scheme was first introduced, it passed the Senate by 26 to 20 votes. It was opposed by Mr. Clay, who declared that nothing but a national bank, one common currency, and acting as a regulator of the banks, could restore and maintain commercial prosperity. His arguments failed to convince the Senate, but the bill was not passed. The Bill met a different fate in the House of Representatives, where it was ordered to be laid on the table without a vote.

On the 4th December, 1837, Congress was again convened, when the President again pressed the Sub-Treasury plan. It passed the Senate a second time, though not without opposition from Mr. Clay, Mr. Webster, and others.

On this occasion Mr. Clay said that General Jackson's real object had been to establish a Government Bank, a Treasury to be administered and controlled by the executive government, and that the proposed Sub-Treasury scheme was to be such an institution under another name, now that the States Bank had been destroyed. The bill was once rejected in the House of Representatives by 125 to 111.

The next session of Congress opened on the 3rd December, but nothing was done in reference to banking. In the following session, which commenced on the 2nd December, 1839, the Sub-Treasury Bill was again brought forward and carried. The measure terminated Mr. Van Buren's presidential administration, and, from the Sub-Treasury Bill, its leading event, it derived the name "The Divorce of Bank and State."

For the sake of connecting under one continuous view the whole of the proceedings on the Sub-Treasury Bill, we have added some remarks on Mr. Van Buren's earlier messages, in which we now propose to advert. Having already quoted his message on the condition of the banks during the first six months of 1837, our next task is to direct attention to his message on the state of the Treasury, contained in his special message of the 4th September, 1837.

"The sum necessary for the service of the year," he said, "is estimated at \$10,000,000. The probable receipts, and the amount which it was estimated should be reserved in the Treasury, will be about six millions of dollars. If the whole of the reserved balance be not sufficient to meet the current expenditure, but four millions be still required, the Treasury, as sums most expedient for the uses of the government, and to meet contingencies, the sum needed will be ten millions. In making this estimate the receipts are calculated on the supposition of some further extension of the indulgence granted to the payment of bonds for duties which will affect the revenue of the present year to the extent of \$2,000,000. It is not proposed to procure the required amount by a new tax or increased taxation. There are now in the Treasury \$4,000,000, directed by the Act of the 3rd June, 1836, to be paid out with the States in October next."

"The exigencies of the government were immediate, Mr. Van Buren proposed to withhold the transfer of that sum to the States banks, which amounted to setting aside the law. He admitted that this would prove inconvenient to many States which had counted on receiving the instalment on the 1st of the Act of Congress; but, as he declared, the money

was indispensable to the Treasury. To raise new loans have been to commence another national debt—a burden on the ultra-democratic party, of which Mr. Van Buren was one of the most accredited chiefs.

In the annual message of 4th December, 1837, Van Buren directed the attention of Congress to the Federal Reserve Bank of the United States, for the charter of the old bank with the United States, for the charter had expired, still the time was not yet over when it was obliged to close its accounts. Moreover, as already stated, it had become a Pennsylvania bank, which rendered the liquidation complicated. When its assets and effects were transferred to that States bank in trust, pending the final settlement of its affairs, an adjustment was made by authority of Congress of the large interests which the government held in the institution. The two years allowed for winding-up the bank were nearly at an end, but the trustee (the Pennsylvania State Bank occupying that position) had not redeemed or cancelled the outstanding notes of the old bank, but re-issued and re-issued them since the 3rd of March, 1836, on which the charter expired. According to the official statement of the bank, so late as the 1st October, 1837, nineteen months after the privileges given to the Federal charter were at an end, had under its own control cancelled notes of the late Federal Bank of the United States to the amount of 27,561,866 dollars, 6,175,861 dollars were in actual circulation, 1,568,622 in bank agencies, and 3,200,390 in *transitu*, thus showing upwards of ten millions and a half of the notes of the old bank were still outstanding. Then the question arose, if the trustee had such a right when would it end? And what became of the 21st clause of the charter which prescribed the winding-up the institution, which could not be carried out with continued circulation? It is also to be observed that for those notes the trustee putting them out as a public officer for value was not liable, for they bore on the personal responsibility of his own; and as the United States was settling with the trustee for their share of the stock, their former direct liability to the creditors of the old bank, the notes were positively unguaranteed. This was unfortunate. The power of issue clearly ceased in 1836; the extension of time to 1838 was a concession made solely and specially for closing old transactions.

In his annual message, 4th December, 1838, Mr. Van Buren estimated the available balance in the treasury on the 1st January, 1839, at 2,765,342 dollars, and the receipts

and land sales at 20,615,598. But these several sources were increased by an issue of Treasury notes, of which President calculated there would be outstanding 8,000,000 end of the year. Government, to recruit its decayed , had also sold a bond of the United States Bank for 71 dollars. This exhibition of the Federal ways and contrasted with what they were at the close of General's administration, was a complete condemnation of his both in destroying the bank and issuing the specie . Mr. Van Buren had a high reputation for sagacity, difficulty would have embarrassed even an abler man ; he was obstinate and doggedly persevered in the which had brought disaster on the country; while edients he adopted to moderate the evil effects of the principles he had embraced amounted to positive infrac- the law and violations of Congressional faith. We en that he held back from the States banks the of public money on the fourth instalment in defiance Act of Congress. He also left several millions at long with the bank and postponed the payment of bonds es to between four and five millions of dollars. This ce was not an optional act of generosity on his part ; necessity which he could not avoid, for to have d the fiscal rights of the Treasury in full strictness would erified nearly the whole property of the Union. He ven to issue Treasury notes, thus claiming a privilege government which government refused to the merchants ne specie circular. Government, as a debtor, tendered a payment; government, as creditor, exacted coin. In just and inconsistent manner Mr. Van Buren sought to he evils of the suspension of 1837.

public money was now kept by the treasurer under his legal powers, subject to the superintendence of the y of the Treasury, but as one of the revenue collectors ed, Mr. Van Buren, apprehensive that others might become rs, proposed the exercise of additional vigilance over ection and custody of the Federal assets. When the k of the United States was incorporated and made the ry of the public moneys, a right was reserved by Con- inspect at its pleasure, through a committee of that he books and general proceedings of that institution. esident now observed that in the State of New York, banks were considered to rank among the first in point ility, the power of constant examination by commis-

sioners, appointed for the purpose, existed, "Whether a committee of Congress might be deemed proper, the accounts of officials in custody of the public moneys?" He urged them to be honest. Thus he had his doubts of the Sub-Treasury scheme which he had struggled to establish, or, at least, of its secure guardianship.

We have seen that the suspension of cash was universal within a few weeks after Mr. Van Buren took the presidential chair. It stayed the downfall of the currency, rescued the country from a state of barter. Trade in foreign goods was discouraged, and a stimulus given to domestic manufactures. Panic locks up capital. What they held at the time of suspension they could not get out in their coffers. In the west and south-west insolvency was the rule. The Atlantic cities generally were so. Banks were cautious, neither granting loans nor discounts. During the year of suspension agriculture was chiefly employed in realising, in circumstances admitted, their outstanding securities. That period of indulgence was drawing to a close. New York banks convened another meeting of the several States banks to fix a day for the resumption of specie payments. It has been said that New York banks had received legislative sanction for suspension during one year, which terminated on the 1st of January, 1838, and they were desirous not to exceed that term. The delegates proposed to extend the time to the 1st of July, while a third party advised that it should be continued till the 1st of January, 1839. In the division of opinion the delegates separated. The banks resumed on the 13th of May, 1838. In the summer and autumn all the Northern and most of the Southern banks followed the example. On the 1st of January, 1839, New Orleans banks and those of the south-west resumed specie payments. The State Bank of Alabama, also resumed.

The chief opposition to the early resumption of specie payments recommended by the New York banks proceeded from the directors of the old United States Bank, which, after the war, had become a state bank with a Pennsylvania charter. Its property, and its debts and credits had been transferred to the State bank which had assumed all the liabilities of the old United States Bank, its branches having been wound up.

New Bank was not conducted with the prudence of the Bank of England. It speculated largely in cotton, and to the monopoly of the article so as to raise prices to English levels. It made heavy advances to the planters. To effect this on a grand scale it put out its own bonds or post notes, and it raised money in Europe. As an illustration of this procedure, we may cite its transactions with the State of Mississippi. That State issued its own bonds for five hundred thousand dollars, to enable it to establish its Union Bank. The bonds were sold in June, 1838, in the following August were taken up by the Bank of Pennsylvania, and the purchase-money was paid in stipulated instalments to the Union Bank of Mississippi. Biddle, the manager of the Bank of Pennsylvania, advanced all the cotton grown in Mississippi; but prices fell, and the speculation, and within two years the Mississippi was hopelessly insolvent, and the State repudiated its debt. At a low state honour and good faith had fallen. See some passages from the executive message of Governor of Mississippi, in which he sought not only to excuse but to justify this shameless violation of contract with the State and creditor. The Bank of Pennsylvania had been secured by Baron Rothschild on the deposit of the Mississippi, and the circumstance Governor MacNutt refers to in the following terms:—

"I have been informed, has hypothecated these borrowed money upon them of the Baron Rothschild; and as Shylock flows in his veins, and he unites with both his countrymen. He has mortgages on the mines of Mexico and the quicksilver mines of Spain. He has borrowed money to the Sublime Porte, and taken as a mortgage upon the Holy City of Jerusalem and the life of our Saviour. It is for the people to say whether they will mortgage upon our cotton fields and make serfs of our people."

Mississippi was the first repudiating state; Mr. Mac Nutt, the first repudiating governor; and Mr. Jefferson Davis, afterwards President of the Confederate States, the first repudiating senator. The precedent thus established was widely followed in the South at that date.

It was too late for the safety of his bank, became aware of his enormous liabilities he had contracted, and of the rashness of which he had engaged, had opposed the wish of the State banks for early resumption, conscious that he could not command the requisite specie. His issue of post notes

was a palpable sign of weakness, and only portended ruin. Another general suspension, not, however, of New York banks, took place in 1839; and finally the State Bank, under its new style of State Bank of New York, disappeared.

As the New York Free Bank Act passed that year, that State on the 18th April, it is not inappropriate to mention its chief provisions in this sketch of Mr. Van Buren's administration. The principle of the measure was that of a public bank. Any individual or association desirous of establishing a bank was empowered to do so under the supervision of the comptroller of the State. "any portion of the public debt now created, or hereafter to be created by the United States, or by any State, or such other of the United States as shall be designated by the comptroller." The debt so transferred became the property of the comptroller, the notes being made, registered, and issued by the comptroller, who handed them over to the bank. In case of assignment of the stock of which he had an interest, the bank was to sell within ten days, if the bank failed to redeem, the lawful money of the United States. The bank bore these words stamped on their face: "secured by the pledge of public stocks." The security, however, consisted one-half of public stock and one-half of mortgages, in which the words stamped on the face of the notes were, "secured by pledge of public stocks and mortgages." The eighth section of the Act provided that "such securities shall be only on improved, productive, unencumbered lands in this State, worth, independently of any building thereon, at least double the amount for which they shall be pledged, and the comptroller shall prescribe such regulations as to retaining the title and the value of such lands and mortgages as may be necessary, and such mortgages shall be payable to the order of the comptroller as the comptroller may direct." The annual interest on the stocks, bonds, and mortgages assigned was to be paid by the parties who had pledged the securities, so long as they were not made in paying the notes. The plates, dies, and machinery for printing the notes remained in the custody of the comptroller. If the comptroller, or any other officer of the State, was convicted of putting out notes in excess of the securities deposited, the punishment was a fine of not more than five thousand dollars, or imprisonment for not more than five years, or both such fine and imprisonment. The stock of any banking association was not to

thousand dollars, and it might be increased from time to time at the option of the shareholders. On the first Monday of January and July a full statement of the affairs of every bank incorporated under the Bank Act was to be transmitted to the Comptroller in a form prescribed by him, and certified by the president or cashier; and if, at any time, any bank or shareholder holding debts or shares to the amount of one thousand dollars "should state facts, verified by affidavit, which would require the Comptroller to order a strict examination by one of the masters of his Court of all the affairs of the bank," for the purpose of ascertaining the safety of its investments, and the prudence of its management. The result of the examination was to be published. It was further provided that no bank, for the space of twenty days, should be closed at its place of business less than twelve and a half hours. No bank was to issue bills or notes in circulation in specie on the amount of its bills or notes in circulation for more than one hundred dollars: nor could any bank make any of its bills or notes of a denomination less than one thousand dollars to be put in circulation as money, payable at any other place than at the place where the bank was conducted. Such were the leading provisions of this legislative Act, and the minor clauses were generally constructed as to guard the note-holders against all possible contingencies.

The administration of Mr. Van Buren was not a successful one. The people had given him credit for great astuteness, but his administration disappointed their hopes and belied their praise. He was himself the President of a new generation, of which title he was proud, for he seemed to think that the inheritors of the American constitution were to eclipse the fame of its founders. Early in the date of his presidency is the date of American history, though the first fatal blow was struck by General Jackson, but Van Buren completed the work of his predecessor. He was put in nomination for a second term of office, but only received sixty electoral votes, while his opponent, General Harrison, received nearly four times as many. There could be no more decided proof that his popularity had departed.

(To be continued.)

G. J. GOSCHEN, ESQ., M.P., ON "THE THEORY OF THE FOREIGN EXCHANGES" AND "SEVEN POUNDS"

To the Editor of the Bankers' Magazine

SIR,—In March, 1864, I addressed a letter to you on a subject of work which had been published by Mr. Goschen under the title "Theory of the Foreign Exchanges," of which I send you a copy. I am a gentleman, and have a letter from him thanking me for drawing his attention to the subject, and regretting that during the work referred to, Mr. Goschen says, "But as the subject is of even of the leading bankers and merchants, are as to the subject as its immense importance deserves;" and that it questions the ability of persons (such as described in the affairs in which they are daily concerned. I thought the question in the letter I addressed to you, "If Mr. Goschen pretends to a knowledge of the subject on which he is writing, and, as the subject of exchanges has reference to money, florins, &c., I required his definition of a "pound." The above-mentioned has gone through four editions without answering the question last asked, a solution of which lays at the basis of the theory advanced, and which it must be said he demanded his attention, and as he has on several occasions taken his seat in Parliament on currency matters, and has written an article in the "Edinburgh Review," entitled "Seven Pounds," dealing on the subject of money, without venturing to say meaning he attaches to a "pound," I trust you will be able to briefly recapitulating a part of what I have been told in your introduction to other matters of equal, if not greater importance. Socrates said, "Before we can reason accurately concerning a subject, we must first know what it is." As I presume the soundness of the argument will not be disputed, it is important that Mr. Goschen at the outset of his public life should make himself acquainted with the meaning he attaches to the terms he is using in any speech he may make, or work he may write. I do not enter into any discussion with Mr. Goschen on currency matters, but only require from him a direct answer to a very simple question: his definition of the term "pound."

The late Sir Robert Peel (the last person who, I believe, attempted to explain the meaning) asked the question, "What is the meaning of a 'pound'?" and he answered by saying, "the meaning of a 'pound' is neither more nor less than a definite quantity of gold;" and he added, "there is no reason why you should not change a pound than to say that it is a foot and a half." This definite quantity of gold as fixed by the Act of 1819) is $123 \frac{3}{4}$ grains. If, then, a pound can be defined in shillings and pence, how can it alter in francs and florins? if it be $123 \frac{3}{4}$ grains English, it cannot vary in grammes.

English can alter in French metres? What, then, is the standard of value, which alters in foreign measurement? A philosopher (a great authority on currency matters, and by the late Sir Robert Peel), in a letter dated in 1717, in a statement that silver (then the standard of value) was more valuable than after it was coined, says, "I take it as so far from being true that I affirm it is impossible, notwithstanding Sir Isaac Newton (when Master of the Mint) and a letter, dated the 21st September, 1717, to the Treasury's revenue, saying, "but silver in bullion exported with 2*d.* or 3*d.* per ounce more than in coin. * * * Allowing for the East Indies the demand of silver for the price to 5*s.* 6*d.* or 5*s.* 8*d.* per ounce, or above." According to the opinion he had given that the price of silver might possibly alter, although those persons who paid an ounce of silver must have known that they had done so, and now pay a difference in the rate of exchange, for (after Sir Isaac Newton's letter), John Locke says, "The value of silver, which makes the intrinsic value of money itself, under any stamp or denomination of the same, cannot be raised. For an ounce of silver, whether coined into groats, or crown pieces, stivers, or ducatoons, or in any other way, always eternally will be, of equal value to any other stamp or denomination soever." But if the value of silver can alter in stivers or ducatoons, how can it alter in gold? What, again, is that sum which describes the value of gold at one time worth 5*s.* 4*d.*, and at another time 5*s.* 8*d.*

The Committee of 1810, in their report, seem to have taken the subject as John Locke, for I find it stated as under, "The value of gold, being itself measured and expressed in gold cannot be altered by an increased or diminished demand for it. It will exchange for neither more nor less than an ounce of the same fineness. * * * An ounce of gold bullion is worth more in our market than £3 17*s.* 10½*d.* unless the value of our actual currency is equivalent to less than an ounce of gold. Although we have here a distinct statement that the value of gold is fixed, so little is there any general agreement on the subject. The report of the Committee or Bank Acts of 1858 asserts that the price of gold is not fixed. At the beginning of that paragraph:—"Another mistaken notion has perplexed those who have reasoned about the subject, supposing that by Act of Parliament the price of gold is fixed. It is utterly impossible to understand any part of the report of the Committee or Bank Acts, for the value of gold is the other, whilst the term sovereign is in no way bound,

If, then, Mr. Goschen entertains a like view "a pound" as John Locke, the Bullion Comm. Sir Robert Peel, as Locke has asserted that what occur, because it was impossible, so it may be in the foreign exchanges, viz., that the fluctuations will have not occurred because it is impossible for weight measured by an English or foreign rule. If it be that there may be a difference in the value of gold as compared with another, and that this is measurements which occur in the rates of exchange, how stand that in our dealings with Australia, where gold is very different from what it is in England described as of an uncertain number of pence, or a certain number of francs?

Since calling the attention of Mr. Goschen to this which I hoped he would have answered, and that induced in him caution, an article has appeared in the review, entitled "Seven per Cent.," and although been attached to it, its authorship is ascribed to Mr. not only deals with the subject of "a pound" weight explained, but also deals with another subject equally necessary to be explained, viz., the term "capital." In the review I find as under—"M. Wolowski opposes the notion that an increase of paper issues at the moment be expected to prove a panacea for the scarcity of capital, and consequently high rate of interest.

"The productive capital of the country is increased by an amount of gold; but it is not loanable capital, and the disposal of a borrower which could be permanent is not such a measure." At page 251 I find: "An average of 7 per cent. has been hard to bear; but the lesson has been that scarcity of capital is only to be remedied by outbidding the competitor for the temporary use of floating available capital to that country which offers the highest price."

I now want from Mr. Goschen his definition of capital, for I cannot find any general agreement in respect of the term in dictionary, encyclopædia, or work on political economy. What is capital, and what is floating capital? Is capital a term used by the community or by individuals? Is money capital, and is it confined to gold in one country, and to silver in another? Is it in the hands of a labouring man capital, or in what hands? What is its character after quitting the possession of him who has it? Is there a distinction between the terms money and capital? What are these terms and riches? Had this country no loan in 1797 to 1822, during a suspension of specie payments, £14,000,000 of notes which the Bank of England issued without having gold in deposit to meet their payments, as any other notes? If this Bank were suffered to

0 of notes, on the same conditions as the £14,000,000, would be loanable capital, and would not such an issue prove a or a high rate of interest? What is meant by setting free an gold? Have the Americans no loanable capital? Cannot the Government issue green-backs *ad libitum*, and thus multiply capital, and cannot those notes be lent, used, and invested in all s which floating capital (in any other way described) could be could they not be advanced to the Government on public as fixed capital? What is that capital which is to be attracted ountry by outbidding foreigners? If a person ceases to a trade, or employ his wealth in multiplying productions, wealth cease to be capital?

ill, in his work on capital, says, "The accumulated stock of ce of labour is termed capital. Capital, by persons wholly reflect on the subject, is supposed to be synonymous with * * Money is no more synonymous with capital than it is th. Money cannot in itself perform any part of the office

Capital is precisely that part of a person's possession, it be, which he designs to employ in carrying on fresh pro- The distinction between capital and not-capital does not kind of commodities, but in the mind of the capitalist—to employ them for one purpose rather than another; and cy, however ill adapted for the use of labourers, is a part of soon as it, or the value to be received from it, is set apart tive employment.

and for commodities does not in any manner constitute a or labour, but only determines into a particular channel a ore or less considerable of the demand already existing. It s that a part of the labour and capital of the community employed in producing certain things instead of other

schen is a young man having a reputation for great talent. ering on public life, and as he is fresh from college, where it sumed he has devoted particular attention to that branch of ich now commands his especial consideration, we have a right from him the latest news from the seat of learning, with all the knowledge of the day, and a clear and distinct exposition of ich have been obscure, and, without attributing to him any ceit of his own abilities, I may suppose that he considers him- to a disputation with those under whom he has studied the e has taken in hand, and that he does not believe he has left m at the university any one more competent than himself those matters in Parliament.

ustified in drawing this conclusion, because I do not find that ir Robert Peel, or any of his successors in office, after quit- ge, have referred, on occasions of Parliamentary inquiries, s of political economy or currency, to those colleges for ment on such subjects, but have shunned them (as if they were

impressed with an idea, that there were no person competent to afford any information), and have so those whose self-interest might be supposed to tion they would furnish.

I do not ask Mr. Goschen for more than his definition of "capital," fixed and floating ; and I contentions can be satisfactorily disposed of in five, or at and I shall only ascribe silence in Mr. Goschen answer the questions, or to a fear of committing him

My object in thus addressing myself to Mr. purpose of eliciting all that can be said for or ideas of money and capital, and the questions are every one who speaks or writes on the subject refer Goschen, and I think I have shown that, as they moment, nothing can be more unsatisfactory or less

I entertain very decided opinions on these matters commanded my attention for very many years, and give evidence before any competent authority, or have completed (which, however, I must for a short which will explain my views.

In conclusion I would observe that it seems expect that any good can result from Parliamentary conducted as they have been, neither have I any expectations things from the inquiries now going on in Paris.

I am, Sir,
Your obedient

Ch

Royal Institution, May, 1865.

BANK NOTES ISSUE BILL

To the Editor of the "Bankers' Magazine"

SIR,—In the month of October last you did publish an article from my pen, entitled "Reflections on the Bank Notes Issue Bill of 1844-5." That article was penned under the impression that it was the intention of the Chancellor of the Exchequer to introduce a comprehensive bill to remedy the defects of the present measures of Sir Robert Peel. Probably Mr. Goschen would not be right to attempt to pass so important a bill in the present Parliament whose days are so soon to come to an end. If, however, his idea, it would surely have been better to have the "Bank Notes Issue Bill" await the consideration of

could hardly be said that the urgency of the case is in the recollection of the readers of the "Bankers' a few months since a report was current to the effect of the National Provincial Bank of England had decided that the profits derived from the issue of notes were not large to compensate for being debarred from business in and around London, and that in consequence they were to relinquish the issue of notes. It appears, however, to take this final and irrevocable step, the authorities have adopted the expedient of bringing their case before the House, the result of which is the "Bank Notes Issue Bill, of course, blame the National Provincial Bank for the best they can for their shareholders; still they do not very much like stealing a march on their competitors, proceeding which seems likely to bring swift retribution, for I can hardly suppose that had the boon which the boon would be granted been known before, it would have ever been asked for. A sharp-sighted financier could not fail to perceive in the application for the bill to expedite the extinction of the country issues generally, of which he was not slow to avail himself, though with reluctance he tried to keep it in the back ground, and in his speech, on the 1st of May, that "the prime principle of the bill is the removal of the limitations placed on the private banks; not on the business of issue, but on the business

of the bill are four :—

1. The clause in the Act of 1844 which prohibits private banks from having more than six partners, is repealed in favour of the bill, to agree to pay to the Crown an increased per centage of interest on the increase being from 7s. to £1 per cent.

2. The clause, whether private or joint-stock, are, on payment of a reduced per centage, to be allowed to carry on business within London and sixty-five miles round. No bank of issue is to issue notes within three miles of the city of London, and no bank of issue that is at present outside the sixty-five miles is to issue notes within it.

3. The clause given to any bank of issue to transfer its rights in its notes to any other bank of issue, provided the latter undertakes to pay the same reduced per centage.

4. After the 1st January, 1879, the government of the bill is to be given to all banks coming within the scope of this Act to issue notes in twelve months from the date of the bill, in which case, unless Parliament shall otherwise determine, the bill will cease.

Of these clauses it is obviously a step (small though

it be) in the right direction. The restriction which by it is a disadvantage to the banker, but a much greater to the public. On what grounds it was ever enacted I, for one, have been able to discover, and now that the question is again before us, only regret that such a stipulation as an increased restriction should be considered. If it be sound policy to have banks regulated and controlled by law (which is, to say the least, extremely desirable) be for the welfare of the public that such establishments should be allowed to strengthen themselves if necessary.

With reference to the second clause, it is unique in its kind. Mr. Gladstone remarks, that it is an anomaly that the issue of bank notes should be excluded from the Metropolitan districts and Scotch banks of issue are freely admitted. It is an escape remark that in providing a remedy for this anomalous state is introduced, that is to say, the banks are required to pay for a privilege, which establishments in sister countries obtain gratuitously. Should this be done, we shall have in addition to the already numerous banks, a subdivision of the banks of issue into, two classes, terms them, conforming and non-conforming, which will be divided. Of the former, there will be the banks which will carry on banking business within that distance; and of the latter, who issue notes within sixty-five miles of London, who will not only to carry on banking business in London, but also beyond three miles from the city.

Of the latter, or non-conforming class, there will be those who issue notes beyond sixty-five miles from London, and those who issue within that radius, but neither of these will have offices in town, so that it would seem that the inconvenience proposed to be created are at least as great as those which are now experienced.

But the most important subject for consideration is the effect of the alteration, and how many banks will avail themselves of it. I think a perusal of the list of the banks of issue may assist us in making an estimate of the effect at the present moment in England and Wales 196 banks, of which 137 are private, and 59 joint-stock banks.

Of the private banks there are:—

3	whose authorised issues exceed	£100,000	but not
7	...	75,000	...
9	...	50,000	...
52	...	25,000	...
50	...	10,000	...
16
<hr/>			
137			

ant-stock banks—

those authorised issues exceed				£400,000	but are under £450,000	
...	...	...	...	300,000	...	400,000
...	...	...	...	100,000	...	200,000
...	...	...	...	75,000	...	100,000
...	...	...	...	50,000	...	75,000
...	...	...	...	25,000	...	50,000
...	...	...	...	10,000	...	25,000
...	...	...	...	—	...	10,000

statement it will be seen that out of 196 banks there are but five whose authorised issues exceed £100,000, but if the average be deducted from that number, leaving but five who only that amount in circulation. Now, it hardly seems probable that a bank, whose circulation is under this sum, will think it worth establishing an office in London for the purpose of retiring notes, the most ardent of company-mongers can scarcely say that a want of banking accommodation "now exists in London. Again, the profits of note issues have of late years seriously declined, the practice of keeping banking accounts has now become general, that notes which formerly remained in the hands of the shopkeeper for weeks or months, return to the issuer at the shape of deposits, or are paid by the London agents; in this mind, it seems very unlikely that the extra per cent will be incurred by any other bank than the National Bank, which, with its numerous branches, must incur very heavy agency charges, either by direct payments or by the obligation to keep heavy balances with their agents at little or no interest.

Now we come to the third clause, by which banks of issue are enabled to dispose of the privilege to any other bank of issue, under the restriction that banks which are now outside the sixty-mile radius, cannot acquire the right of issue within that distance. It seems to be just possible that this clause may be operative in some instances, where bankers amalgamate, or private banks merge with stock companies, but in all cases where banks are prospering it seems very unwise to transfer such a privilege to a rival, as it would naturally look upon such a step as a confession of weakness, and, of course, act accordingly.

The point is that clause by which power is given to the Government any day to terminate the issues of the banks who take advantage of the Act on the 1st January, 1880. Mr. Gladstone said, in the House of Commons, that if the country issues were only reduced to the rate as since 1844, they will not be finally extinguished for ever.

Neither authority nor figures were given to support this statement, which appears to be altogether fallacious. When the Act

of 1844 was passed there were in England and Wales issue, with an aggregate authorised circulation of £1,000,000. At the present time there are 196 banks having authorised circulation to the extent of £7,415,448, showing a reduction of £1,230,000. If we take the average circulation of these banks for the 10 years ending 31st March last, we find the amount only £5,674,000, or £1,740,000 under the limit, and showing a practical reduction of £3,000,000 in the 21 years, which by no means is a small sum, according to Gladstone's statement.

Of course, the operation of this clause will entirely depend on whether bankers consider the advantages offered by the bill to be the almost certain destruction of their monopoly. It is not clear whether they think their present tenure of the privilege will make it worth while to ensure its retention for the future. It seemed to be the general impression in the House that the bill would not expedite the extinction of the monopoly to any appreciable extent; in fact, some members thought it would retard it. Mr. Thomson Hankey was of that opinion. He made the clause compulsory, while Mr. Goschen proposed a reduction of the lease to ten years instead of fifteen. The House approved of the tax of £1 per cent. which "involved a principle, as showing that the State claimed the right to issue the currency;" a principle, by-the-by, which is exactly the same as the present tax of 7s., and also by the arrangement that the Bank of England is authorised to increase its issue to two-thirds of the amount of lapsed country issues, and that such increase is appropriated by the State.

There was a clause proposed by Alderman Salomonson that, to a certain extent, have placed the issues on a sound basis. It alluded to the proposition that issuing banks should be authorised to issue their circulation; it was, however, vetoed by the Exchequer, though he gave but little reason for his objection except that it would be unfair to oblige those banks who were authorised by this Act to give security, while other banks should be exempted: a line of argument which suggests a very weak case. He rather favoured the idea of making notes a first charge on the assets in the case of bankruptcy, which would most certainly be a less cumbrous and equally safe expedient.

Looking at this Act in all its bearings, it appears to have been awkwardly brought in to further the interests of one class, so that establishment will be almost the only one that will be except perhaps in an occasional case of amalgamation. There were great difficulties to be encountered, and opposition was to be overcome, before a comprehensive measure relative to the issue of bank notes could be carried, but Mr. Gladstone has, on previous occasions, shown no lack of courage to meet opposition, but on the present occasion he has taken the position to court it.

On this occasion he has produced a measure which I venture to be pronounced by the banking community to be unworthy of his splendid talents; a measure which will in all probability be inoperative, but which, if operative, will create more anomalies than it undertakes to remove.

I am, Sir,

Your obedient servant,

J. D. F.

London, May 23rd, 1865.

BANKING AND FINANCIAL ANECDOTES.

No. VI.

A CURIOUS IRISH BANKING TRANSACTION.

Mr. of "The Clubs of London" gives a curious instance of banking business that was sometimes carried on in Ireland at the commencement of the last century. "I once accompanied a party of English ladies and gentlemen to that enchanting spot, the lake of Killarney, when, having amused ourselves for a few hours, we were on the point of returning to Dublin when one of the party collected that he had in his possession a handful of notes on which was a kind of saddler in the town of Killarney. Accordingly we all set out by way of sport to have them exchanged, the principal object being to see and converse with the proprietor of the bank. Having entered the shop, which hardly sufficed to accommodate the whole company, we found the banking saddler hard at work. One of the gentlemen thus addressed him: "Good morning, sir; I presume you are the gentleman of the house?" "At your service, ladies and gentlemen," returned the saddler. "It is very much to be desired that the bank is kept?" continued my friend. "Very much, sir," replied the mechanic; "this is the Killarney bank, and of a better." My friend then said, "We are on the point of visiting your town, and as we have some few of your notes which are of no manner of use to us elsewhere, I'll thank you for them." The banker replied, "Cash, please your honour; what do you want? Is it anything in the leather line? I have a beautiful saddle as was ever put across a horse, good and cheap. How many notes have you, sir, if you please?" "There are no less,"

said my friend, "than sixteen of your promises an amazingly large sum of 15s. 9d. sterling." "I sh noble," returned the banker, "to waste any more time, or of those swate bootiful ladies and joutle illigant bridle here as isn't to be matched in Yoc or Ameriky ; its lowest price is 15s. 6½d.—will a lordship. If ye'll be plased to accept of it, then t a thrupenny note coming to your lordship, and business at once." There was no other course the bridle.

DIABOLICAL ATTEMPT TO RUIN A COUNTRY

Mr. Lawson, in his "History of Banking," narrates a striking episode :—

On the establishment of the —— Fire Insurance Company, the founder was appointed manager ; and after the few years in existence, the conduct of this person to call forth some severe remarks from the directors, the chairman, who was a banker in the town of ——, to such an extent had his conduct been carried that it was necessary, in order to protect the interests of the bank, that he should be requested to resign, or he would not perform his duty of conveying the decision of the board of directors. The chairman, who told him that on a given day he was to call at the office, and receive from Mr. B., the manager, the moneys and moneys belonging to the company.

Accordingly, the chairman, on the day appointed, called at the office, when they found Mr. B. a man, with a brace of pistols, sitting on a box with securities, &c., belonging to the company. The chairman, ordered by the father to shoot the first person who attempted to move him from his seat. This happened unlooked for and unusual, astonished the chairman, and accordingly retired to decide upon what steps it was to take. On their leaving the premises the manager, men, and told them he wanted them to walk in p

—— the bankers, and he would march at their

It is necessary here to state that with the fun

in the hands of the manager he had, since the day he received notice of the termination of his appointment, been engaged in circulating such money for the banker's notes, by which means he had accumulated several thousand pounds. The notes so collected he pasted on large sheets of paper, and then pasted them on twelve large placards: one he carried himself, with these words in large characters, "Going to Messrs. ——— bank to demand payment." Each man carried one, and they marched in single file to the house. On entering the house he demanded instant payment in gold. The men were taken by surprise; they had not so much gold in the house, but they said they could, in a very little time, collect from the circulating banks the requisite amount; but no, this would not do, said the manager; it was just the answer he expected. He replied, "The notes are payable to bearer on demand; I now demand payment, or I shall proclaim your bank as having failed." They granted him a few hours' indulgence, but he was inexorable; he would not give a minute, and turning to his men he said, "Now, my men, hold up your placards." At the same time taking from his pocket a printed paper, with which he had come provided, he pasted on it the one he had carried himself, and again headed the procession. The first placard announced "Messrs. ——— have suspended payments;" and in this manner he marched through the principal streets to the utter amazement of the inhabitants, especially those who had transactions with the bank, or who held any of its notes. It was as might have been anticipated; the bank failed. The manager of the assurance company had been gained; he received his appointment and left the town.

Of this man, though terrible, was not so bad as he deserved. We have been told, in the Fleet Prison, placed there by the judge who had, perhaps unwillingly, aided him in his former career.

BANKERS AND BANKERS.

A young woman was some years since brought before a metropolitan magistrate, charged with begging. The representative of the law sternly interrogated the prisoner, sharply asking her three questions in a breath—who she was, where she came from, and what she did. The girl began to cry, but gave no answer, whereupon the magistrate told her he thought she was an impostor, and he must

know the truth. The young woman, gaining courage, her name was Smith ; that she came from Lincolnshire, her father was a banker. This immediately altered the course of the case. "What !" he exclaimed, "your father would not allow his daughter to go about in this wretched manner, either have done something to bring this on yourself, or in a disgraceful way." The young woman replied that she had done nothing wrong ; that her father could not afford to let her go in that manner, that she had been obliged to come up to London, in distress. Inquiries were then set on foot, and the town from which the young woman had come, from the magistrate, wrote that she was the daughter of a banker in the Fens ; that her father, through her refusal to keep her ; and that the men who followed her alluded to were generally called "bankers" in that country.

THE BANKER'S WIFE AND HER NEIGHBOUR'S

Mrs. Coutts (previously Miss Mellon) during her residence at Lodge, Highgate—a house which had cost her husband a great deal of money—used to be much annoyed by the unthinking conduct of an immediate neighbour. Whenever the wife of the banker gave a dinner-party at Holland House, on an occasion when she particularly desired that the party should be itself in its best aspects, that particular day seemed to her neighbour for her washing-day ; and the guests were not only amused by such a quantity of clothes, but that the thought of a laundry was naturally suggested. They were further entertained by the clatter of tongues, and the contrariety or agreement of opinion among the neighbours. To rid herself of this annoyance Mrs. Coutts sold a portion of land which was so disagreeably approached, but the owner would not consent. The banker then upon built up a wall about 100 feet high, which shut from her guests the view of the clothes-lines, and the clothes thereon ; but the wall also shut from view a very large garden. The obdurate neighbour was, however, ere long satisfied. A quarrel ensued ; the wall, which had cost £1,000, was built, and there was subsequently greater "luck about" the washing-day."

On Chartered Bank of Australia, to be presented at a general meeting, on the 2nd June, states that it is to be able to announce that the general results of the year have been successful. From the accounts it appears that the profits are somewhat in excess of last year, and the directors will learn with satisfaction, viewing the depression which has existed in the Australian colonies, as well as the position on this bank has had to contend with. The latest accounts extend to the 25th March last, and speak in a favourable position and prospects of the bank. The inspector, Mr. J. H. B. Smith, in Melbourne and resumed the management of the bank on the 1st of January last. The accounts for the past year are made up to the 31st December last. After the usual deductions, and allowance for bad and doubtful debts, there remains a profit of £53,436, out of which the directors recommend that a dividend be declared for the half-year of 4 per cent, £40,000; and they further recommend that a reserve fund, which will then amount to £134,436, leaving to be carried to next account a balance of £134,436.

there has existed in Germany a large voluntary merchants, politicians, and professors and others, Congress of German Economists. The plan of the resembles that of the British Association for the Advancement of Science in this country—that is to say, there is an annual meeting of each year in some principal town, and the meeting is controlled by an organisation of presidents, and a committee. The whole purpose of the Congress is to appeal to the public opinion. The meetings hitherto held have been successful. They have been attended by men who fairly represent the educated and active portion of the middle classes, and the more practical intellects among the economists. The objects of the Congress are specific and practical. Leaving aside abstract problems, the questions of the improvement of municipal or commercial law more or less are in the present condition of Germany.

Congress for 1863 was held at Dresden, in September questions principally debated were four, viz., Patent rights, Consular Courts, Consular Jurisdiction, and Consular Privileges, and Commercial Treaties, and in each case the rights of the United States were defended. It might be thought that many important facts illustrative of the present position of the German States, and of the wide differences which exist between them and this country.

We have thought it desirable, therefore, to frame an account of the Dresden proceedings, so far as they relate to banks and banking, by doing so, to preserve to some extent the dramatic form of the debates, by giving the names of the speakers and the lines adopted by each. We need not say that we have endeavoured to give our summary to the more important portions of the proceedings.

At the opening of the Congress on the second day, Mr. von Frankfort, read a paper on the laws relating to banks and on the question in general. He said that the Committee of the Congress had endeavoured to inform itself of the wishes of the chambers of commerce and large banking institutions.

The chambers of commerce had declared against state banks, and the banking institutions had not returned answers.

Prussia had proposed a Bank Act two years ago, and the Congress had declared themselves opposed to it. In 1862 the Congress had declared itself with establishing the problem without trying to solve it. The committee has four proposals to bring forward, and has agreed that banks should be allowed when established with unlimited liability, and that in the case of banks with limited liability, certain restrictions should be imposed. As to what these legal restrictions should be, the committee could not agree: they have therefore decided to leave the best of them for the determination of the Congress.

The four resolutions concerning banks are as follows:—

1st. An extended and regular system of banking is indispensable for the promotion of the material welfare of a civilized nation.

2nd. Monopolies and concessions granted to government banks, to private societies for the issue of bank-notes, diminish, as proved, the safety of the currency, are hurtful to the development of the nation, and contribute to the impoverishment of the nation.

3rd. Banking activity, with or without the capacity to issue bank-notes, should be left open to free competition, provided the liability of the banks be unlimited.

4th. If the shareholders of a bank issuing notes claim limited liability, they must fulfil certain legal conditions, and the committee now submit for consideration.

1. Shall the amount of the notes to be issued be fixed?
2. Shall the minimum amount for which a note can be issued be fixed?
3. Shall a periodical publication of the accounts of the banks be obligatory?
4. Shall the bank, under penalty of bankruptcy, be obliged to coin all the notes presented?
5. Shall security to the amount of the current notes be provided in bullion, and in what proportion?
6. Shall the total amount issued be covered by bullion and by the sale of cantile bills together?
7. Are at least two endorsements necessary to bills issued by banks?
8. Are stock and wares pledged for advances admissible as security for notes?
9. Are state and other scrips allowable as security for notes?
10. Shall the holder of a note have any peculiar advantages in the winding-up of the bank?
11. Ought, irrespective of the note circulation, the business of banks to be restricted, and if so, in what manner?

purchase of scrip and wares to be prohibited as specula-

tion or pawning of bank shares allowable?

Requirement of particular security for the deposits de-

posits to be confined to a particular sum?

Minimum term of notice be required for the payment of de-

After reading these propositions of the Committee, began the paper, by stating that up to the present time banks founded in Germany by means of a concession from one of the governments and the issue of notes is subjected to particular restrictions. Companies at present can only take deposits up to a certain sum. This is one of the most important of banking operations, and is now restricted. We see in Germany that the privileged banks, with the support of their governments, do not even pay well. The Bank of Prussia, for instance, in spite of its monopoly, does not yield the same interest as the government forbid to a great extent the establishment of new banking companies, and on the other they do not obtain what they wish for by forbidding them. What may prevail in official circles may be surmised from the fact that Heydt has maintained in the Prussian project that banks should properly to be conducted only by servants of the state. The Congress must be directed to establish as free a condition for the credit system. My paper has this intention, and that the Congress will declare both for the liberty of industry, as well as for the liberty of credit and banking. Michaelis spoke in favour of the full liability of all banks and of full freedom in banking. He observed that the law was limited, the desire to make extra profit by a more free business was increased. The ease and safety of a bank depended upon the number of payments to be made daily and upon the facility with which the notes could be converted into cash and return to the bank in several ways. It is the best if the notes are in payment of a current demand. It is also convenient if the notes are used as a deposit against bullion. It is not good, and it is not safe, if they are paid in as deposits at interest. It is forbidden to accept more than one million of thalers as a deposit, and even for this sum a minimum term of notice is required, that is, the banks are prevented from fulfilling their important economical duty. It is provided also that notes should be convertible to the extent of one-third by bullion. But if bullion is only one-third be there to-day, and a 10 thaler note is worth away 10 thalers, it is no longer there, and the required security is as soon as it begins to be made use of. Such directions are childish. The only real security consists in a continual circulation of notes in order to avoid danger from the note circulation. It is generally observed as to the admission of mortgaged bills for notes. Discounted bills only, and not pledged stocks, should be a solid basis for notes. Government securities are also a good basis. In New York it is even demanded that a bank should invest its funds in government securities instead of banking business, in order to give security to the notes thus created. This is depriving the notes of a good

security in order to substitute a bad one. As to a preference over other bank creditors, that would be a development of true banking business, and at the same time the note circulation more dangerous, for the safer the bank thinks itself, and the more care it takes with its note circulation. The bank ought to vote for no monopolies, no concessions, full bank freedom, and limited liability joined to similar measures.

Dr. Faucher, of Berlin, said that the exaggerated issue of bank notes was to convert fixed capital into paper money to be taken on the Continent with the same facility. The consequences of this were that the banks attempted to issue notes as possible, and also that the paper of one bank was taken into another, where it had no proper circle of circulation. The bank notes are in circulation than a healthy bank. The cheque system is altogether wanting. Great success has been made in France to extend the cheque system, a considerable success.

If such a custom can only be introduced, a great change will cease which have led to the acceptance of bank notes. Prussian provincial banks have, indeed, assured us that they will introduce the cheque system here; for the traders want their cash in the banks, but desire only credit from the banks. certainly the evil in a most concentrated form; but the traders in Germany require further instruction and the cheque system can be introduced.

The reason for this goes very deep into the nature of our traders. Our traders seek their profit more in advantageous purchase. But the consequence of this is, that the trader depends upon narrower principles than in England. He seeks to obtain an advantage over the thoughtless consumer. But the advantage over the experienced wholesale dealer in the purchase of raw materials is far more lasting and better, I can beat thereby my competitors, and obtain a greater extension. The nation which understands the advantageous manner will, in the end, remain the master of the world; and it is undeniable that the English are at buying. It is the custom now with the English to buy raw materials only at great auctions. In this manner the trader gains once in the beginning the whole profit, while the wholesale dealer pays to the auctioneer. Ready money, however, is not paid at auction sales.

As soon as the custom of keeping ready money has been introduced, keeping it at a bank necessarily follows, on account of the Cash keeping at a bank renders the preservation of cash for the entry of the cheque in the bank books more convenient. The mere fact of having cash at a bank gives a great advantage. With a system of cheques no bank will suffer by the issue of notes; it will profit by it. If our banks are only once sure of the cash on the cheque system, they will no longer be obliged to rely on the reliance upon the issue of notes; for these reasons it is the duty of the body to strive to introduce the cheque system.

Mr. Sumter, a banker of Königsberg—Limited

only with certain restrictions. Five points come principally for consideration—1st. Shall the business of the bank be prescribed by laws.—I answer this shortly; no. Further, for two possibilities, if the bank be solid it will be business, if not, legal restrictions are not worth anything. The fixing of the note issue is not admissible, for it is determined by circumstances. 3rd. The kind of note security cannot be prescribed by law, but ought to be left to the bank. The backing to the extent of one-third of the issue, is according to circumstances too much or too little. 4th. Question 2 ought to be affirmed, for the issue of the note ought to be depreciated, though not upon scientific grounds. 5th. Measures of safety for the public. Question 4 belongs also to the public, but is a little too stringent, although the payment of its claims at all times be the natural duty of the bank. In the same way, question 3 must be also affirmed in the interest of the public.

6th.—Experience has shown that privileged banks impair the general community. The more the banks are left upon their own merits the better. Therefore question 1 ought to be negatived. Mr. Bismarck expressed similar views to those of the last speaker, saying that the unlimited acceptance of deposits had led to bad results, but that it was not well to think too much about the future. He hoped, in conclusion, that the resolution would be adopted by the German Bund to adopt a general bank law for the empire, and that the grounds laid down in the proposals before be realised therein.

7th.—A bank director from Danzig—A chief consideration of all banks is the amount of confidence which the public takes in them. Bankers inspire, whether they represent a proper amount of capital or not. A bank founded by totally unknown persons cannot do business. Referring to the single question, as to No. 1, it is not possible to fix the note issue, but it depends upon the demand. As to No. 2, our minimum is 100 thalers. The question is not, however, of great importance. According to general experience, the 100 thaler and 500 thalers notes are the longest in circulation, whilst the twenty and twenty-five thaler notes are the quickest, quicker even than the ten thaler note. Question 3 is self-understood to be affirmed in the interest of the public. At point 4, it is necessary to impose this condition by law. At point 5, the proportion, according to experience, cannot be fixed to any degree of certainty. In the year 1857 a third proved necessary. I have then paid away as much as 150,000 thalers in such crises do not come over night; certain signs precede which can be provided against. Under ordinary circumstances a reserve of 20 per cent. is still too much. At question 6, I remark that the bank must be secured, and even have a bullion reserve; part, however, may be secured by bills. As to No. 7. Sometimes seven signatures are required, sometimes two. In practice several signatures are considered safer, but a rule can be laid down. The loans upon stock and wares are not convertible. For the same reason question 9 must be negatived. Question 10 is already negatived by commercial law. Questions 11-13 inclusive, that with limited liability the bank must likewise be limited, and speculation excluded alto-

gether. In the same manner the pawning of bank should not be permitted, for it has occurred that twice when certain shares only were forbidden to be pawned, by means of a mutual pawning of their shares, and wrong against the noteholders. Question 14 is answered, certain means of security for the deposits cannot be, the bank manager can easily observe when deposits are like in great amounts. Question 15 ought to be negative, deposits will certainly not leave the amount of the deposit sum will fix itself in practice. Question 16 cannot be as to whether the times are normal or critical, but it is that money ought not to be taken at a year's notice of

Mr. Otto Michaelis—Notes perform the following service in the place of the bill a means of exchange which capability of circulation and a greater circulating area the bill must be passed further. The banks perform the service to the community: they take upon themselves the risks, and by publishing their store of bills and notes exchanges with all its waverings under public control. The issue of bank notes is not the chief point in a banking system, free competition it is an agent which presses the bank into that business for which they are there.

Dr. Brann, the president, rose to remark that several before them. 1st. One from Mr. Mac Wirth, to place before the committee the following words:—"The Commission has the following principles for a German banking law, by agreement among the different states or by the different states."

2. By Dr. Wolff, of Stettin—To resolve in place of the committee be charged with collecting during the next basis of our present debates, the conditions under limited liability shall be permitted."

3. By Mr. Samemann—To change article 4 in the "If the shareholders of a note-issuing bank claim the liability, they must fulfil the following legal conditions value of single notes is to be greater than the highest in the country. 2. The accounts are to be published periodically. 3. The bank is to be bound to pay their notes daily on presentation. 4. Buying and pawning of bank shares is prohibited." And instead of article 5, to say—"That upon the principles of rational banking shall be adopted, that banks for discount and deposit business, without the privilege, is to be recommended, for with these almost all the advantages can be attained as with note-issuing banks."

Mr. Bansi, of Bielefeld, supported Dr. Wolff's proposition, 16 points back to the committee. The 16 points contain a full banking law, and about that we cannot decide, but as a Congress to set up general points of view. The following:—

1. Preventive rules have no effect.
2. Corrective rules are necessary, and should be rapid in their operation as possible.
3. The recognition of the trustworthiness of a bank should be clear to the public by the legislature.

Röpell, of Danzig, after some remarks, said, that Dr. Wolff's tendency to a prolongation of the subject. He had criticised the single point and asserted that there was an inner contradiction between points, which in reality did not exist. It may certainly be desirable to allow banks with unlimited liability, but it was seen, however, that the movement ran directly towards limited liability, as was shown by the example of England. We desire to know how banks with limited liability are to be treated. They receive from the state the right of a limited position, they are liable for only a certain amount; it is natural that they should, therefore, require in this exceptional case an exceptional treatment over the bank. The question must not be delayed, for it is one of the most important questions of the day.

Samemann—We are near the end of our debate, for only four or five points remain to be decided. To Dr. Wolff I beg to remark that the question of limited liability would be a greater hindrance to the extension of banking than all existing at present. In England, as others have said, limited liability comes more and more into use. In one point I am not agreed with Messrs. Michaelis and Röpell, and that is, with regard to the safety of bills. Mr. Michaelis is right so far as the aim of the present issue is concerned, which is to replace a less convenient means of exchange by a more convenient, but wrong when he says that all good bills originate in a transaction or a purchase; for the bank cannot get at all into the origin of a bill. Public opinion goes very much against the admission of pawned stock and wares as security, but a great proportion of bills of exchange are only another form of kind of business. Blank credit is also not altogether a bill of exchange, but still not bill jobbing. The bank does not concern itself with the origin of the bill, but with what the man does with the money he gets from the bank, and as to whether the signatures are good. We should remember that if you only consider business bills as solid and not bring the whole work of Mr. Schulze-Delitzsch into question; if the members of a loan society withdraw a loan and found a bill upon a transaction, it is nothing but bill jobbing. On the contrary, experience shows that bills founded upon transactions can also be bad. Dr. Asher has put business bills to the extent of several hundred thousand marks as a point bad during the commercial crisis at Hamburg. On this point it cannot be legally asserted that security by means of bills is sufficient, and for this reason, that we do not know what the bank managers do and by good bills. Ideas are very different on this point, and a decision is impossible. It is indeed altogether a case of personal confidence. Banks cannot be forbidden to buy Consols, for these are at times bills of securities. The banks must also be left to themselves as to whether they ought to speculate in wares; such speculations must be set clearly in the published accounts, and such banks as engage in them must be on credit; this is by far the best control.

Wolff—So many new and important questions have arisen during this discussion that I consider an adjournment more and more necessary. The question is, ought we to promote the movement in favour of limited liability? We should by our vote pronounce a prejudicial decision on many points, and I do not think we should make any improvement if we do not accept the normal propositions of Mr. Samemann. The question is important, but it is better to postpone it than to decide too quickly.

Otto Michaelis—Two questions have become mixed several times, during the debate, viz., whether anything shall be received as good advice

or whether it shall be required as a legal restriction would remark that with banks with unlimited liability buy their own shares can never come into question, but limited liability, for otherwise the capital, which forms public, could be secretly withdrawn from the business the covering of notes by means of bills. I believe it but it should not be a legal requirement. The four Samemann has proposed are justified by the nature of

Mr. Schottler, of Danzig—I beg to remark as to speculation is not distinctly forbidden, and the public selves to control it, a single good result will make them lead to deception. As to question 4, bankruptcy is not a misfortune. The article ought to be expressed “und up.”

Dr. Fancher—It is clear that the aim of point 13 is from withdrawing their capital out of their business shares. It is quite impossible to compel a company with to keep its capital in the business. The capital affords security lies in the uprightness of the bank. There is a security where none exists. The less the law does to the public will be; and therefore I think that point 13 is justified.

The resolutions of the committee were here put to preliminary proposition of Mr. Max Wirth failed, because with point 1. Article 1 of the committee was adopted, adopted unanimously. Article 3 and the positive part received by a great majority. The motion of Dr. W. refused. The propositions of Mr. Samemann as to points 4 and 5 were accepted. Point 6 was affirmed by 39 votes against 12 were negatived. Article 5, concerning the establishment of deposit banks, according to the motion of M. adopted.

The resolution of the Congress then stood as follows:

“Article I.—An extended and regular system of credit is indispensable to the promotion of the material welfare of a nation.”

“Article II.—Monopolies and concessions granted to banks or to private societies for the issue of banknotes, as experience has proved, the safety of the currency; the development of banking, and contribute to the improvement of the nation by individuals.

“Article III.—Banking activity, with or without the issue of notes, should be left open to free competition, provided that the shareholders be unlimited.

“Article IV.—Shareholders desiring the privilege of issuing banknotes must fulfil the following legal conditions:—

“a. The minimum amount for which a note can be issued.
“b. A periodical publication of the accounts of the bank required.

“c. The bank to be obliged under penalty of liquidation to redeem daily all the notes presented.

“d. State and other scrips to be allowed as security for the issue of banknotes.
“e. The business of the bank, irrespective of the nature of the transactions, to be restricted in any manner.

“f. The purchase or pawning of bank shares to be a

Bank of Bremen	£11,131,800	£12,742,950	23,498,250	19,754,250	£3,936,600	4,566,000
Bank of Hamburg						
Bank of Hanover						
Bank of Homburg						
Bank of Cologne (Private)						
Bank of Königsberg						
Bank of Lübeck						
Bank of Luxembourg						
Bank of Magdeburg (Private)						
Bank of Meiningen						
Bank of North German Bank						
Bank of Pomerania						
Bank of Provincial Bank of Posen						
Bank of Prussia						
Bank of Weimar						

The word "Private" is applied in Germany to Joint-Stock Banks, to distinguish them from banks more or less under state control.

Banking and Commercial

GUARANTEE—WHEN CONTINUING AFTER THE FIRM GUARANTEED, AND WHEN NOT

It is of course well known, that it is not an unusual practice with bankers, to give a firm liberty to open an account to overdraw to a given extent upon a guarantee given by a firm or person, on whom the bankers can rely in case of deficiencies.

Under the old law before the 19th and 20th Vict. (the Mercantile Law Amendment Act), the general principle from the practice was, that if there was any change in the firm guaranteed, the guarantee ceased, unless the guarantee was given by a provision; the principle being, that an obligor is not bound to guarantee a firm of which he knew the members when those members have left it, or when the firm changes. And so it was held in "*Weston v. Barclay*" (10 B. & C. 673), where Mansfield, C. J. says "that from the decision in '*Barclay v. Lucas*' (3 Doug. 326), the principle of the decision has been much questioned, it results that if the obligee dies, the security is at an end." This principle is founded on the very principle which is at the basis of suretiship, viz., the principle of personal confidence. If A is willing to be surety for B, whom he knows, but B afterwards changes terms expresses it, he never intends to become a surety for the representatives or assigns, of whom he knows nothing. As a general rule, on any change of the constitution of the guarantee body, as for instance, if A, B, and C were the guarantee body, and A and C retired in favour of D and E, a new firm would only have one of the original members. The guarantee would cease under the law before the Amendment Act. There was an exception when the firm was a fluctuating body, as a banking company. On the *necessitate rei*, the body is a continually fluctuating body. It was held that the guarantee would continue, notwithstanding changes in the firm. "*Metcalf v. Bruin*" (12 Q. B. 339) 19th and 20th Vict., cap. 97, to a certain extent modified the old law; by section 4 it is enacted that a guarantee should not be binding (in the event of a change in the guarantee body) "unless the intention of the parties to the promise shall continue to be binding notwithstanding any changes, shall appear either by express stipulation or by necessary implication from the nature of the former promise."

it will be observed upon this, that the act really hardly any change from the old law. All that it does is to the doctrine of "*Barclay v. Lucas*" (which it seems was that questioned), and of "*Metcalf v. Bruin*," which does appear to have been questioned at all.

any rate, by the act, in order to make the guarantee a living guarantee, where there has been a change in the there must be either express stipulation or necessary implication, there can be no doubt. The doubt arises as to what necessary implication, and that question arose in a recent "*Backhouse v. Hall*" (6 New Rep. 98). In that case, some years before 1846, G. W. Hall and W. T. Hall carried business as shipbuilders under the firm of G. W. and W. T.

W. T. Hall died in 1840, and the business was then carried on by his widow (his executrix) and the co-executors, G. W. Hall under the firm of G. W. and W. T. Hall, the same as before. G. W. Hall died in 1856, and then the business was carried on by the defendant, a brother of the original G. W. and W. T. Hall, with the widows of the two brothers, the defendant, acting as manager.

In 1857 the partnership was dissolved, and the business was carried on by the two widows, and their nephew M. In January, 1858, on the application of M. to the plaintiff's bankers, to give the firm accommodation by opening an account with them to be overdrawn to the extent of £5,000, the plaintiff bank granted, on a guarantee by M. and the defendant for moneys so to be due not exceeding £5,000, and the guarantee was used to be for the firm of G. W. and W. T. Hall, the old firm of the firm, although there were no such persons then in existence. The guarantee was endorsed by Elizabeth Hall and Sarah Hall, the two widows, who were the real firm. On the 17th of September this account was overdrawn. In July Elizabeth Hall died; her death was known to the defendant, but not to the plaintiff till 1862.

After her death, the balance due to the plaintiff exceeded £5,000; after her death the business still continued to be carried on under the same style, and the account continued with the plaintiff. In July, 1861, the defendant gave notice that he was not to be liable on the guarantee for any future advances, and that he was to be freed from his guarantee. At that time the balance due to the plaintiff exceeded £5,000, and all the advances on which the balance accrued were made subsequent to the death of Elizabeth Hall. The question before the court was, whether the defendant was liable under his guarantee to pay to the

plaintiff any and what portion of the balance of from the firm of G. W. and W. T. Hall on 1861. The only liability, if any, of the defendant is his guarantee.

It was argued for the continuance of the business down to 1858 the business of shipbuilders has continued uninterruptedly under the firm of G. W. and W. T. Hall though both G. W. and W. T. Hall were deceased. The guarantee described the firm as G. W. and W. T. Hall. It was intended to confine the guarantee to the partners, their names would have been mentioned if that circumstance there was necessary implied. The guarantee was intended to be independent of the firm.

But the court held otherwise: the court, after full consideration, said, "Can we say here that the intention appears by necessary implication from the name of the firm or otherwise? Looking at all the facts of the case it does not so appear; there is nothing to show that fresh partners entering the firm, or of the death of the old partners, was contemplated when the guarantee was given. There is nothing in the nature of a shipbuilding firm which would necessarily imply such an intention. The defendant is not bound."

The broad result of this case seems to be, that if a guarantee is given for a firm, you must either show that the nature of the firm is such (as a joint-stock company) that of its very nature it must be known to the guarantor that it is a continually fluctuating body; or that there is nothing quite inconsistent with any other theory than that the guarantor intended a continuing guarantee notwithstanding the death of the partners. It is hardly necessary to add that a guarantee should always express distinctly what is the nature of the parties. And when it does not do so, the presumption is in favour of the guarantor. That he meant to be bound for the persons whom he knew, and not for persons of whom he knew nothing.

THE BANK NOTES ISSUE BILL.

mons on the 1st May, on the motion for going into

the Exchequer explained some alterations which had
 sure, and which would be proposed in committee.

the bill, contending that the Government had no
 only to a given number of persons who had done
 entitle them to class legislation. He moved that
 the subject be postponed for a month.

nons gave a general support to the bill, but suggested
 it was resolved to legislate for country issues they
 view of the subject.

approved of the alteration doing away with the
 the metropolis, but thought the measure was in
 ference with the provisions of the act of 1844.

Mr. Goschen was in favour of going into com-
 sider it desirable to allow the question of banks
 as present condition.

and the bill, believing it would be delusive to attempt
 ittee.

on withdrew his amendment, and the house went
 uses up to clause 4 inclusive were agreed to. On

nous moved the omission from the clause of words
 charging a certain sum upon banks which increased
 rtners. If banks were to be strengthened by the
 arely they ought to be allowed to make the increase
 a tax for it.

the Exchequer resisted the motion. The proposal of
 remove certain banking disabilities on condition
 themselves in a position more conformable to the
 posal of the hon. member would tend to remove
 ks.

from Mr. Alderman Salomons, the hon. member
 nt. The clause was agreed to. Upon clause 6,
 the Exchequer moved to add a proviso, "That nothing
 all, except as to the right of transfer of issue hereby
 ct any of the provisions now in force by law in
 other than those which shall voluntarily accept the
 this act." The proviso was added and the clause
 clause 8,

the Exchequer moved an amendment to the effect
 d have power, by notice, after the 1st of January,
 the year the issues of the banks paying the per-
 object was to ensure that the banks should have
 nange, whilst the policy of the Act was to fix a par-
 h Parliament should have full power to deal with
 nks under the act of 1844.

d with the clause as it originally stood, and could
 was proposed to alter it. He did not think it should
 llor of the Exchequer of the day to determine
 ould cease.

Mr. Alderman Salomons explained that the clause was for the issues of all the country banks in fifteen years; but for three, which would probably accept the terms offered.

Mr. Briscoe said that he should support the bill as introduced by the Chancellor of the Exchequer, though, had it been in its original shape, he should have opposed it.

Mr. Hubbard said one great argument for the bill was that the issues should terminate at a given date; but now that the bill was amended, to enable the Treasury to terminate those issues it should think fit.

Mr. Ayrton thought that the clause as it originally stood was to the clause as amended. The notice contemplated was one which would only be given provided the government was a strong one, and the Chancellor of the Exchequer was an enterprising man. He believed that it would be more prudent to leave the matter to these contingencies.

The Chancellor of the Exchequer said that there was a difference between issuing a notice from Downing Street and proposing a proposition before the House and having to contend with suggestions and amendments. It was not the intention of the government to carry out the policy of this measure to the reconsideration of the Chancellor of the day; but the Act was clear that, with all the difficulties there might be upon collateral questions, the government should have absolute power to determine the issue at a certain period by those banks which came within the scope of the question upon what basis issues should be there. There was no doubt, he determined by the then Parliament, with the act of 1844 and to the experience which would be gained by time for giving notice should arrive.

Sir S. Northcote wished to see the word "if" at the end of the clause omitted, so as to make the enactment positive and not hypothetical.

The Chancellor of the Exchequer assented to the proposal.

Mr. Salt said the word "if" was the very essence of the clause.

After further verbal alterations,

The Chancellor of the Exchequer stated, in answer to a question, that the non-conforming banks would be untouched by the bill.

The clause, as amended, was ultimately added to the bill. Clauses 9 to 18 were then agreed to.

Mr. Alderman Salomons moved an additional clause that any bank of issue having a house of business or establishment in London, or at any place not exceeding 65 miles from London, shall deposit with the Commissioners of the National Debt Office of Exchequer bills or other government securities equal in value to the amount of the issue, to be retained by the said Commissioners until the bank shall continue a bank of issue with a house of business or establishment in London, or within 65 miles thereof."

The Chancellor of the Exchequer said there was in the bill a large amount of unsecured issues of bank notes. The hon. member moved a clause to put an end to that state of things, and joint-stock banks to give security for their notes. The bill had virtually passed through committee, and certain banks had been put in a more favourable position towards the public than they were in general. They were invited to place themselves in a position to

the public than the non-conforming banks, and the hon. gentleman proposed to visit them with a disability in the shape of requiring only them, to give security. In point of fact, the proposition hon. friend was to require security from those banks from which it was needed, while from those from whom it might be needful he took security whatever. His hon. friend required that the notes issued be secured by requiring the banks to deposit with the Commissioners of the National Debt a certain amount of government security; but he (the Chancellor of the Exchequer) was not at all certain that it was necessary, at all sure that it would be equitable to limit the banks from whom they required to get security for their notes to government security. Under the circumstances he could not assent to the clause.

Some observations from Mr. Heygate and Mr. Goschen, Mr. Hubbard said he believed the bill would not be taken advantage of by more than two or three banks, and he therefore heartily wished that it never been brought forward.

Mr. Neate supported the clause.

Alderman Salomons then withdrew the clause he had proposed.

The Chancellor of the Exchequer said there were a certain number of banks which did not compound for the stamp duty on their notes, and they would be put to some disadvantage in respect of their notes which would run out their average time. He had, therefore, prepared a clause which gave power to the Treasury to make those banks such compensation as might be fair on their stamped notes yet in circulation.

The clause was agreed to; as was also the preamble, and the bill as amended was then reported.

On 25th May the subject was again brought before the House when, the Chancellor of the Exchequer, in moving that the bill be recommitted, stated that, in order to admit of the insertion of the amendments proposed to clause 8, the third reading would be postponed until the following week.

Mr. Heygate said when the bill was first proposed it was received by a portion of the commercial community with dissent, nor had it been run with peculiar favour by the banking interest. However, even when fresh proposals being made on the part of the Government to the effect of country bankers, it was carried by a majority of votes that the bill should be accepted, and it was therefore in fulfilment of an honourable undertaking that he intended to support the proposal for the recommitment of the bill.

Mr. Radfield contended that the further progress of the bill should be deferred until the country bankers had had an opportunity of fully stating their objections to it; and with that view he intended to move that, should the bill be recommitted, the bill be agreed to, the committee be adjourned until after the Whitsuntide holidays.

Mr. Neate declared it to be his opinion that it was not competent to the House to deprive these country banks of the power of issue without any compensation.

Mr. Selous Edwards said the passing of such a measure would entail the most serious consequences upon the trade of small country towns; and he moved that at a meeting of bankers, held that day at the Grosvenor Hotel, resolved, by a majority of 41 to 12, that the Chancellor of the Exchequer be requested to withdraw the bill.

Mr. Selous approved of the suggestion that it would be better to postpone the committee on the bill until after the Whitsuntide holidays.

Mr. Graves believed that the country bankers were b interest to accept the bill.

Mr. Hubbard contended that the private banks of the establish a claim to the permanent enjoyment of the quite admitted that they had a right to make as many they chose; but it was a very different thing to paper money. The regulation of the coinage belonged which had more than once exercised this right by pro copper and silver tokens. What difference was there suppressing the issue of paper money? The fact was t issued paper money *pro tanto* levied a tax upon the clear that they could not set up any claim to a perman kind. The Bank of England had not the slightest inter It was an utter delusion to suppose that the lapsing of could occasion the slightest inconvenience to those who For wherever there was a demand for money, that dem be supplied through the usual channels of circulation. could not make any claim to a permanent right of issu Bank Act of 1844; on the contrary, the right of interfere whenever it thought fit was expressly res He thought that Parliament had a perfect right to it deemed it expedient to limit, to restrain, and, if terminate the whole of the country issues.

Mr. Alderman Salomons said that when the bill cam ing he should move that it be read a third time th

The Chancellor of the Exchequer moved that the b mitted so far as the preamble and clause 8.

Mr. Hadfield moved to postpone the recommitment months.

The Chancellor of the Exchequer trusted that the h the immediate recommitment of the bill.

The motion for the recommitment was then agreed t immediately left the chair.

Mr. Cobbold moved to insert in clause 8 a provis banks accepting the conditions laid down in the bill sh the 1st January, 1880.

Mr. Ayrton opposed the amendment, and characteris claim set up by the country bankers to make indefin which their power of issue should continue; and ca mittee not to assent to the entangling language of the Mr. Cobbold.

The Chancellor of the Exchequer objected to the gether out of character, because it was proposed for th introducing utter vagueness and uncertainty into the bill, and would practically have the effect of rather i of Parliament a belief or an intention that the priva act might be continued as a monopoly. The words w in themselves, but the spirit and aim with which t rendered them inadmissible.

After some discussion the amendment was withdraw of the Chancellor of the Exchequer, the following v in the preamble, further to define the objects of the by law a time whereat the present statutory right o of the bankers obtaining such exemption shall deter

Ports of Joint-Stock Banks.

to report that several failures have taken place since
of the present year, involving losses, which in the
produce markets it is not easy to estimate accurately ;
ed it prudent to carry forward the entire balance, after
dividends, as a provision for them, in the hope that such

a course will, under the circumstances, meet the ap-
holders. The reserve fund of the Commercial Bank
on the 1st of January amounted to £73,301; and the
allotted in London already stated £91,282. 10s.; and
the 31st December, £4,717. 10s.: £96,000; making
the corporation, £169,301. In addition to which a sum
has been transferred to the corporation by the Comm
being the balance standing to the credit of the in
agency in Singapore had been decided upon by the
India in the beginning of last year, and this agenc
November last. The directors have had under the
acquisition of suitable premises for the bank. In the
at a moderate expense, so far improved the pre
as to be enabled to await, without inconvenience,
tunity of securing more commodious premises. In
terms of the deed of settlement, the directors, v.
Henry Durance Cartwright, J. J. Cater, F. Chap
Alfred Middleton, Robert Ryrie, and Edward Tho
of office; but being qualified, offer themselves f
auditors Robert Strong and John Ball, Esqs., also o
appointment; and their remuneration will be fixed b
directors regret that owing to the delay which has oc
balance-sheet and accounts from abroad (which has b
ceptional character and will not recur), they have be
report before the shareholders at an earlier period."

Balance-sheet for the year ended 31st Dec

LIABILITIES.

Dr.

Capital subscribed for	... ..
Reserved Fund—to amount brought forward from Commercial Bank of India, £73,301; premiums in respect of shares allotted in England, £96,000	... ..
Current and fixed deposit accounts, &c.	... ..
Bills payable	... ..
Sundry accounts, including insurance account	... ..
Profit and loss account, £156,946. 11s. 4d.; less half-yearly dividend, Commercial Bank of India, to 30th June 1897	£45,000

ASSETS.

Cr.

Capital unpaid	...	...	...	...	...	...	...
Premiums unpaid	...	...	...	...	...	...	...
Bills receivable and loans	...	...	...	...	...	...	...
Government securities	...	...	...	...	...	...	...
Balances due by branches in their accounts current head office	...	...	...	...	...	...	...
Bank furniture at head office and branches	...	...	...	...	...	...	...
Stamps on hand	...	...	...	...	...	...	...
Bullion on hand and in transmission	...	...	...	...	...	...	...
Cash in hand and at bankers'	...	...	...	...	...	...	...

PROFIT AND LOSS ACCOUNT.

of dividend and bonus to the shareholders of the Commercial Bank of India, for first half-year, ending June, 1864, equal to 18 per cent. per annum, 1860; payment of dividend on the whole paid-up capital of the Corporate Bank at 31st December, 1864, at rate of 10 per cent. per annum, free of income tax, 1825	£84,925	0	0
carried forward to profit and loss new account	69,501	11	4

£154,426 11 4

at head office and branches to 31st December, after making provision for bad and doubtful debts, deducting current charges and extraordinary expenses connected with obtaining Royal Charter, and the transfer of business to London	£156,946	11	4
income-tax	2,520	0	0

£154,426 11 4

RESERVE FUND.

credit of reserve fund	£169,301	0	0
------------------------	----------	---	---

£169,301 0 0

at credit 31st December, 1863, of Commercial Bank India	£73,301	0	0
on new shares issued by the Corporate Bank	96,000	0	0

£169,301 0 0

Chairman, in moving the adoption of the report, which is of considerable length, observed that the corporation only began their direction of the bank at a very late period. They were in hopes that arrangements had been made which would have enabled them to have obtained the transfer of the business of the Commercial Bank early in July, but which were unavoidable in their character arose, in consequence of the corporation were prevented from taking the direction of the bank until the close of December last. In declaring a dividend of 10 per cent. on the whole paid-up capital of the Corporate Bank at the end of last December, the board did not take credit for any wisdom in the management of the concern, so as to give the shareholders who had taken a premium a dividend of 7 per cent. on the amount which they were entitled to for them, that credit being due to those who managed the affairs of the Commercial Bank of India up to the present year; but they hoped that they would be able to present a prosperous working of the concern for the future. The detailed reports and accounts of the bank had only been received by the mail which arrived on Saturday last, in consequence of some delay which had arisen in transmitting the accounts from the Calcutta branch to Bombay, so that the directors had only been enabled to sign them as presented by the head office at Bombay. He explained the mode which had been adopted by the Commercial Bank of India in reference to the accounts was to have those of all the branches sent to the head office at Bombay and there made up, and the dividend declared upon

the general balance then shown. The Bombay agency had sent them the statement, balance-sheet, and profit and loss account in the manner as they had hitherto been in the habit of preparing for the purpose of enabling the board to declare a dividend upon the profits. Also, the accounts had been audited in Bombay, but they had been audited in this country by Messrs. Strickland & Co. as an audit was practicable. He informed the shareholders that Mr. Cartwright, one of the directors, having occasion to attend to his own business, and the Bombay agency, which had always been assisted by a local board, being now without such assistance, the directors, unwilling to lose Mr. Cartwright's valuable services, had asked him to give his assistance to the Bombay agent, and he had agreed to do so upon the board for the purpose of enabling him to give his assistance in conducting the affairs of the corporation. The business at the present meeting was the re-election of the directors and auditors, and the fixing of the remuneration of the latter at the first meeting of the corporation, and he hoped they would have a successful meeting and a long and successful career. The subject of the dividend, which consisted in the amount of other people's money to deal with, and they could not but entertain sanguine hopes that from the soundness of the security and the favourable position they would be able to offer, they would attract a very large number of depositors for fixed periods, and in return for which they would give a higher rate of interest, combined with great security, perhaps be given by any other similar institution in India. He begged to move the adoption of the report.

Mr. Thornton seconded the motion.

In reply to a shareholder,

The Chairman said that, in future, the accounts would be sent to London.

Mr. Crouch complained that shareholders who had received only, in reality, 7 per cent., for their shares realised 10 per cent., which was an increase of 3 per cent. He suggested that the dividend should be made up to 10 per cent. so that the balance proposed to be carried over was ample for its purpose.

Mr. Leggatt was of opinion that it would be extremely desirable to improve the present embarrassed state of commercial affairs in India. In the course of the year, he did not think that the sum of £69,500 put down to the reserve at all too much. If there was anything to be done in the policy of the bank, he thought it was the payment of a dividend and bonus in Bombay for the first half of the year, at a rate of more than 18 per cent. per annum, because there were at the present time all the symptoms which should have induced hesitation in the declaration of a dividend. He inquired whether the directors were aware of an item of £3,249,554 in the credit account put down as loans. He wished to know the amount of the loans, and whether the item was separated they would have a better view of the position. He inquired whether the reserve of £69,500 would cover the present state of commercial affairs in India they occurred.

The Chairman said he could not give the exact amount of the loans, but the receivables were about £3,000,000, the remainder being the balance of the loans stated in reply to another question that the item of

sheet, which was made up to the 31st of December, had, with the exception of a very trifling amount, inquired whether there was any definite account of losses covered by the reserve of £69,500.

He said that the directors, who for the most part had paid the most anxious to give as large a dividend as possible, were always restrained by prudence in recommending a dividend. In the present case they had not thought it prudent to declare a dividend as had proposed. With respect to the observation of inability to see its justice, because many persons had shares at Bombay at a high premium. No one ever reckoned interest on premium. (Hear, hear.) Although, therefore, the proprietor might at first sight think himself badly served, on reflection agree that a new bank which paid £7 per share almost practically useless, on account of the short time for which the corporation had been carried on, was not a good thing. It by no means followed that because they considered the £69,500, that sum would all be required to pay the dividend. They hoped and trusted that it would not—(Hear, hear)—in the very unsettled state of affairs they considered it a good thing to adopt, instead of dividing 12 or 14 per cent. (Cheers.) The dividends had been made up there had been one or two heavy losses which might be more. All that he could say was that all the dividends up to 31st December last had been provided for out of the £69,500 as was not required to meet the current year would eventually go into the pockets of the shareholders. (Cheers.)

The resolution was adopted unanimously, and the directors and auditors one hundred guineas per annum being awarded to each for their remuneration.

On the occasion of the election of auditors, the chairman took the opportunity of calling the attention of the meeting to the necessity of ascertaining whether or not there was a regular attendance of directors at board meetings, pointing out that it was the duty of the directors in attendance, and consequent ignorance of the real state of the bank, that the great disasters which occasionally occurred to the public in connexion with joint-stock banking arose; that the proceedings of late had shown plainly enough that the directors had not attended board meetings and taken an active part in the affairs of the banks.

The chairman replied that if the hon. proprietor called at the office he would find himself as to the attendance of directors in this case by the attendance book.

A vote of thanks was then given to the chairman and directors, and the meeting terminated.

INDIA FINANCIAL ASSOCIATION, LIMITED.

A general meeting of the shareholders, convened in accordance with the articles of association, was held on the 28th April, at the Victoria Hotel; Mr. L. Balfour in the chair.

The meeting has been convened in accordance with the articles of association which prescribe that the first general meeting of the association should not later than the month of March or April, 1865. The

operations of the company in India extend over a period only at Bombay, and of seven months only at Calcutta, to the difficulty and expense of establishing and maintaining a large amount of working capital, agencies, with efficient control, the company was not able to do more than meet at the middle of November last, since which period all the profits of the statement of accounts now submitted have accrued. It is proposed, in the circumstances, have been unsatisfactory to close the account of December last; the statement of account, therefore, shall be for the result of the operations of the company in India up to the middle of March last, with further interest on loans, &c., then due on April instant, and at the head office to the latter date. The accounts have been submitted to the auditors, and you will have little doubt that the profits will eventually be shown to be somewhat under-estimated. It is proposed in future to make up the books of the company on the 31st December, and to hold the general meeting of shareholders on the 1st of March following, at which the yearly balance-sheet shall be presented, and that the directors shall have authority to pay interest on the profits of the company. The approximate statement of accounts now submitted shows a net profit of £9,716. 1s. 3d. (after income-tax) be now declared, and paid to the shareholders on the 5th day of May next. This will absorb £7,000, leaving a credit of profit and loss account of £2,716. 1s. 3d. It is to be noted that at the end of February last the moneys advanced to the company in India, and further loans sanctioned (and doubtless since then) are as follows:—

At Bombay £99,149 1s.

At Calcutta £113,846

The sum of £86,650 had, up to last advices, been advanced on land and house mortgage securities in India, and it is estimated that at least £14,000 more has since been so placed. Of the advances made to persons of undoubted position and class collateral security. As to the former, a large amount of land is required, equal in the majority of cases to 50 per cent. of the value of the land, carefully estimated, the rates of interest being not less than 11 per cent.; and as to the latter, the securities are all confidently believed to be of an immense value, affording ample margin; the rates of interest being varying in Calcutta from 12 to 14 per cent., and in Bombay from 10 per cent. per annum. The directors have proceeded carefully to regard the present position of the company, and the result is satisfactory and encouraging for the future. The directors have received very numerous applications for advances on land and house mortgage securities, at the most favourable rates, a very small proportion of which they will enable them to meet. India presents an almost unlimited field for business of this nature, and the directors feel that it is alone required to ensure the success of the company, both in the present and future profits. The directors are anxious to devote their efforts principally to the working of the land credit system, as it is conducive to the interests of the association, and with that view to afford greater facilities both for obtaining subscriptions, and placing their funds in land securities in India, they propose to alter the name of the association, and designate it under

and Credit and Finance Company, Limited,' for which the shareholders will now be asked. The directors Cartwright, their late chairman, being obliged to resign his position as a member of the board. In accordance with the articles of association, three of your directors, viz., Mr. James Layton, and Lieut-Col. W. MacGeorge, retire, but, being eligible, they offer themselves for re-election. We have appointed Messrs. James Dickson and J. Hill Williams as directors, who, under the articles of association, now retire, but offer themselves for re-election. In addition to the resolutions as to payment of dividend and re-election of directors, the following special resolutions will be submitted

to the association do, with the approval and sanction of the shareholders, to change its name, and that the new name of this company shall be the Land Credit, and Finance Company, Limited. Resolutions for the amendment of certain clauses in the articles of association.

No. 1. That clause No. 34 be amended as follows:—'The meetings of the company shall be held in the month of April, on such day as the directors may determine. The meetings of the company shall be called ordinary meetings; general meetings shall be called extraordinary general meetings; and meetings shall be held at the office of the company, or at such place as the directors shall from time to time appoint.'

No. 2.—That clause No. 87 be amended as follows:—'The company, with the sanction of the company in general meeting, shall be paid to the shareholders in proportion to their shares, and always, that the directors shall have authority, without a resolution, to declare and pay an *ad interim* dividend half-yearly, of the first six months of each year, out of the profits of the time being.'

No. 3.—That clause No. 98 be amended as follows:—'The balance-sheet shall be made out in every year, and laid before the shareholders of the company, and such balance-sheet shall contain a statement of the property and liabilities of the company, arranged in such manner as the directors may think fit, and may from time to time be altered or adopted, and that the first balance-sheet shall be presented to the general meeting to be held in the month of April.'

Statement of position of the Company on 14th April, 1865.

LIABILITIES.

called up, £150,000; less calls unpaid,			
deposits	£146,100	0	0
balances per contra at head office	37,800	10	10
office in provision of funds for Indian	17,350	0	0
... ..	60,000	0	0
... ..	91	12	0
... ..	1	10	0
... ..	9,716	1	3
... ..	£271,059	14	1

ASSETS.

Cash balance at head office—cash at bankers', £19,921. 7s. 10d.; petty cash in hand, £35. 18s. 1d.; commission, £2,112. 11s. 11d.; cash at Calcutta do., £21,914. 10s. 1d.
 Held in India for loans sanctioned—cash at Bombay agency, £12,749. 11s. 11d.; cash at Calcutta do., £21,914. 10s. 1d.
 Advances on land and other securities—head office, £25,626. 1s. 8d.; Bombay agency, £36,490; Calcutta, £91,931. 13s. 4d.
 Miscellaneous account—preliminary expenses, £4,529. 17s. 8d.; exchange on drafts on head office per contra not yet due, £2,827. 11s. 7d.; furniture, head office and Calcutta, £341. 4s. 10d.; balance of entries in continuation of profit and loss accounts of the Indian agencies to 1st April, 1865, £2,281. 2s. 1d.

Approximate Statement of Profit and Loss.

Dr.

CHARGES.

Head office—Directors' fees, management, salaries, advertisements, stationery, &c.
 Bombay agency—management, agents' commission, directors' fees, £724; sundries, advertisements, &c., £117. 0s. 1d.
 Calcutta agency—management, agents' commission, directors' fees, £1,447. 4s. 2d.; sundries, rent, advertisements, &c., £322. 19s. 8d.
 Net profit—head office, £1,448. 2s. 8d.; Bombay agency, £3,958. 8s. 8d.; Calcutta agency, £4,309. 9s. 11d.

Cr.

RECEIVED.

Gross profits

The Chairman, in moving the adoption of the report, considering they had only had a capital of £100,000 in three months, and £146,100 for three months; considering expenses fell very heavily on so limited a capital, and their operations was distant, requiring time to place and institute the necessary agencies, the directors had very much to congratulate the shareholders upon the amount had been attained, and the still more favourable prospect. They had commenced last month receiving moneys on the amount which they had received at present was no doubt that they would receive a very fair share of the objects of the association were better known and as they wanted to command entire success and produce results was more money, and as they extended their operations the working expenses, adding to the capital, either in shares or debentures, the greater would be the amount would accrue to the shareholders. He regretted the loss of Mr. Cartwright, who had gone on his own account.

had received an assurance from that gentleman to catch the interests of this company in that city. He led the motion.

that there was still due on the miscellaneous accounts expenses, the exchange on drafts, and Indian 79. 11s. 2d., and he suggested that instead of paying a share, as proposed, they should devote the profits, to the liquidation of that amount, because if they necessarily go into the pockets of the shareholders would tend greatly to enhance the value of their company and stand better with the public. He suggested that the amount should be reduced from £1,000,000 to £500,000, and should call up half the capital. What he wanted was to do well with the lending public; and he alluded to the want of a sufficient capital to carry on their business were obliged to amalgamate with others or to do no business in which they were engaged was of a kind to employ the debenture capital, and what they borrowed money here at £5 or £6 per cent., and to pay ranging from 11 to 18 per cent. That being their condition should be forwarded by reducing the amount of the calls to at least the extent of half the amount paid, in his opinion, tend greatly to increase the value of the shares. If they adopted his suggestion of paying the sum now proposed to be divided, they would have no paltry debts hanging over them. Whether the item of £3,900 represented calls on

that it did. A portion of those calls had since been paid, about £1,975, would be paid in the course of the year, and the rate of £9 per cent. was paid on arrears of

questions from Mr. Brown, that the item of £2,827, in the miscellaneous accounts, had been included by Mr. Jackson in the £9,979, as a balance of the kind, it being the amount of the exchange on fact, interest at 8 per cent, but it was not yet paid, but they carried to the credit of the profit and loss account £4,529 preliminary expenses, that the item of discount on advances made, for which they had no exceptional securities; the transactions of the Company being very analogous to raising money on debentures or bonds; the profit in regard to the advances being small. With respect to the securities they had all been examined by the auditors. The sum of £2,500 put down as interest, but had not yet been paid.

He said that the sum of £2,281, under the head of interest, represented the interest on the capital in the hands of the company up to the 14th of April, and was not a liability or a preliminary expense.

He said that accounts relating to the head office ought to be kept in detail. He also complained of the heavy expenses of the company, which up to the present time was something more than the profits.

The Chairman explained that while the returns for the months, the working expenses were those of the whole year, who were entitled to take £2,000 a year, had only taken £1,000.

The report was then agreed to unanimously, and Mr. Jackson, seconded by Mr. Dickson, the retiring director, moved the resolution.

Mr. Brown moved the re-appointment of Mr. J. Dickson and Mr. Williams as auditors, and proposed twenty-five per cent. remuneration.

In reply to a question from a shareholder,

Mr. Dickson said that the audit was not a mere formal signing totals, but the auditors had examined into the details of every security, and themselves added up the various items in the books. (Hear, hear).

The motion was seconded by Mr. Forster, and carried.

Mr. Palmer then proposed that the name of the company should be changed to the East India Land Credit and Finance Company, as the new name would describe more accurately the nature of their transactions. Financial by itself was not a true description of the true operations of the company, because they had not the land credit system was the one to which they would look to in the transaction of business, and if they made it known, and it was expressed in the title, the debentures would be more readily; therefore they proposed to change the title in view to extend the operations of the society, and by the result of a very favourable result. At the same time he must say that they had started and been in active operation they had not been ashamed of with respect to the amount of business done; on the contrary, they had every reason to congratulate themselves that they had done so well, and they had no doubt that they would be able to show still better results. In relation to the directors had had under their consideration the reduction of the nominal value of the shares, and were of the opinion of the shareholders on the question. They had no objection if the shares were reduced to £25, it would be to the advantage of the company, and if they obtained the assent of the whole of the shareholders the reduction in nominal value of the shares could be done without any trouble or expense.

Mr. Jackson proposed a resolution, with the object of reducing the nominal capital by half, but in the course of the discussion which ensued, it appeared that such a proposition, if carried into effect, would render upon, any resolution to that effect being illegal, and the directors agreed to adopt the proposition of the directors.

Special resolutions were then passed, altering the title of the company with a view to holding the general meetings in March, and giving power to declare *ad interim* dividends, and providing that the balance-sheet should be made out and presented at the next meeting.

A cordial vote of thanks to the chairman, directors, and committee, on the motion of Mr. Brown, carried by acclamation. A vote of thanks was also given to Mr. Cartwright for the valuable services he had rendered to the company, and the proceedings terminated.

FAILURE OF THE PENNY BANK AT BIRMINGHAM.

se, convened by the mayor, was held in the Town-hall, Birmingham, the 28th April, to take into consideration the affairs of the Penny Bank and the best means of relieving the large number of small depositors who were concerned. The room was crowded. After a few introductory remarks,

the Mayor read the following statement:—"The Birmingham Penny Bank was instituted in the year 1851, for the purpose of promoting the saving amongst the industrial classes, and it was intended that it should be entirely self-supporting. Of the original committee only six have since 1858 taken any part in the proceedings of the bank, and since that time has been under the control of Mr. George Barlow, coachbuilder, Edgbaston; Mr. Benjamin Hawkes, toy-dealer, New-street; and Mr. Wallington, toy-dealer, Bull-street. The bank was opened for business in February, 1851, and on the 31st of December in that year the balance amounted to £769. 3s. 2d.; on the 31st of December, 1856, it had reached the sum of £5,249. 8s. 7d.; on the 31st of December, 1860, it amounted to £6,504. 4s. 8d.; and at the present time they are, according to the books brought in, £8,061. 4s. 8d. spread over 7,431 accounts. At the commencement of the bank nearly 170,000 accounts have been opened, and occasionally above 300 in one day; there have also been at times 1,000 repayments made in one day, and frequently above 1,000

The total amount received in deposits from the beginning has been upwards of £140,000. The expectations of the founders of the bank as to its being self-supporting have been disappointed, the income and expenses from the beginning having been in each year greater than the income, the total amount of charges and expenses over income has been nearly £3,000. The last balance-sheet of assets and liabilities was made out on the 31st December, 1857, but many of the assets then reckoned as good have turned out complete losses, whilst others have been lost in value. The losses of this kind amount to £2,500. There have also been losses, partly through frauds on the bank by depositors and partly through the amount of £1,200. It is probable that the assets of the bank, though put down in the statement at £1,703. 18s. 6d., may, on the next audit, suffer a further depreciation, and may not ultimately produce more than £1,000 after payment of expenses. The position of the parties concerned in the bank has been, as far as practicable, ascertained, and if the worst is avoided, it is expected that at least £1,500 will be obtained from the bank. If they are made bankrupts their separate creditors must be paid in full before the creditors of the bank can obtain one shilling on their claims. It is proposed to take the most peremptory proceedings possible against any who are liable to pay and who may refuse to contribute. The affairs, therefore, stand thus:—Due by the bank £3,500; total amount expected to be divided amongst the depositors £2,500; deficiency, £6,000. It is proposed that an effort be made to subscribe sufficient moneys to pay smaller deposits in full to a limit to be fixed at this meeting, and so alleviate the distress that would otherwise ensue to such of the industrial classes as have their small savings in the bank. The larger depositors will then receive the whole of the assets divided amongst them, and in all probability a dividend might very shortly be made."

Mr. Millor Avery proposed, and Mr. Dixon seconded, the following resolution:—"That this meeting is of opinion that a subscription should forth-

with be commenced for the purpose of raising a sum which will suffice to pay in full all depositors of amount £3, and in number 6,903, leaving the remainder being depositors of larger sums and numbering 519, to the bank, and deal with the directors, trustees, and managers in such manner as they may be advised."

Councillor Brinsley said he thought they proposed to end. They should first of all have an investigation into the bank, and to that end he would propose the following:—that a subscription be forthwith entered into for the purpose of legal and other expenses necessary for instituting a thorough investigation into the conduct of the bank, the directors and other officers thereof, and their liability to pay all depositors, to the extent of the assets of the bank, and the assets of the directors, trustees, and managers thereof."

This was seconded by Mr. Langford, and carried by

FINANCIAL ASSOCIATION OF INDIA AND CHINA

At the first ordinary general meeting of the Financial Association of India and China, Limited, held at Bombay on the 1st July last, the directors' report stated that the Company was registered and commenced operations on the 1st July last, with a capital of Rs. 120,00,000 (£1,200,000), and Rs. 30,00,000 (£300,000). It appears that the association has been interested in the following companies, besides having had a considerable holding of Canning shares, viz.: The Bank of China, the Bank of India, the Bengal Credit Mobilier. The net profit of Rs. 6,00,000 (£60,000) derived from premiums on new shares, and from another source, amount to Rs. 15,64,730 (£156,473), proposed to apply them as follows: Rs. 4,63,150, dividend at the rate of 20 per cent. per annum on 30 lacs, from 22nd June to 30th September to 31st March; Rs. 46,944, income of the reserve fund (in all Rs. 10,00,000, or £100,000); Rs. 5,00,000, to be carried forward to next half-year. The directors' report was adopted, and a dividend at the rate of 20 per cent. per annum declared.

ANGLO-AUSTRIAN BANK.

The following is the report of the directors, submitted at the general meeting of the bank, held in Vienna, on the 2nd July 1864.

"In laying before you the report of the bank's operations for the year ending 31st December, 1864, we beg to offer a few observations. The idea of the organization of our institution was suggested by two of the members of our English Committee, Mr. Grenfell Glyn, Esq., M.P., and Archibald Scott, Esq., M.P. In the course of the year 1863 they were assisted by persons of commercial experience in Austria, and all arrangements for the due constitution of the bank were completed, and its actual operations on the 2nd January, 1864. The results of the year have been unfavourable to the prosecution of the main object of the bank."

ing the commercial and financial relations between
 The abnormal high rate of interest which prevailed
 at that year interfered with the flow of English
 while the unfavourable state of the commerce of that
 ous failures which took place in both countries, had
 al effect on all mercantile and financial business. It
 ent upon us to proceed with the greatest caution.
 sfaction to be able to inform you that, in spite of
 es through which we have had to steer our course,
 n establishing an important and remunerative
 hile engaging in transactions to the extent of
 have only sustained a trifling loss in bills re-
 gratifying to us to be in a position to report,
 off all preliminary expenses (excepting only
 hich is distributed over five years), providing in-
 the paid-up capital, setting aside 10 per cent. of
 rve fund, and paying a further 10 per cent. as pro-
 for the directors' remuneration, there remains a
 cent. on the paid-up capital, thus giving, with the
 a account, a dividend for the year of $8\frac{1}{2}$ per cent.
 ed out that the operations of the bank were actually
 January, 1864. They consisted, at first, exclusively
 sion business; and in this we speedily succeeded
 ud highly respectable connexions. On the 1st of
 nced issuing deposit notes (*Kassen-scheine*) bearing
 of our business increased rapidly. Shortly after
 our 'Giro' business was initiated. The advan-
 the public have not yet been adequately recognised.
 er of accounts opened in this department is increas-
 the more gratifying, inasmuch as it is one of the
 e bank to give facilities by all means in our power
 for whose special convenience this class of business
 On the 15th September, 1864, we commenced our
 rschuss Geschäft), the lowest amount of advance
 ited with us being fixed at fifty florins. By this
 that we have satisfactorily met the wishes and
 blic, and are glad to inform you that the number
 ourselves of it has rapidly increased. As regards
 (Waaren Geschäft) we have considered it best,
 applications, to delay for the present the establish-
 f business. In like manner we have hitherto
 mortgage business, on the ground that the existing
 law puts great difficulties in the way of a rapid
 ated securities, and we have felt it our duty to
 y case as readily available as possible. In con-
 nections with some commercial undertakings in
 mind the rapid increase in business which may be
 try from the increased means of locomotion, and
 st prevailing there, we resolved to form a branch
 rg. This came into operation on the 2nd of January,
 in a position to report its progress at the next
 ore important operations in which the bank has
 e past year, we may mention the advance made to
 nt of the Austrian Government, and which has

already been repaid. In connection with this is to participation in the Silver Loan of seventy millions of florins, in co-operation with several banking houses in Vienna, where, the bank accepted a share of 23½ millions. On this loan was entered into under the condition that the parties interested in the same should be formed into a Syndicate the Minister of Finance afterwards attached himself with them respecting the remainder of the loan so that the formation of this Syndicate mainly contributed to the firmness with which, under the pressure of so many circumstances, this public security was maintained, so that, in large sales which have been made since the 11th of January, the Syndicate was dissolved, no serious fluctuations in its value in those places for which the loan was designed. The bank is interested in the Customs Loan, which was brought to the half of the year 1864. The amounts of our part in the Silver and Customs Loans have both been realised in the year, so that no loss can now arise on either of these objects of private enterprise in which the bank is itself we have more especially to call attention to the Czernowitz Railway. The bank undertook, as its business in conjunction with the International Financial Society, a share capital of the company, which was successfully accomplished, thus calling particular attention to some of the large transactions our bank has actively interested itself during the past year. I omit to mention that the directors have been from time to time employed in the investigation of other objects of industrial interest, in some cases the bank has declined all participation, in others yielded the field to rivals prepared to offer more tempting conditions. In all such circumstances the directors have acted on the principle that the matter in question was either wholly undesirable, or that which they could not prudently engage, except on conditions which applicants were unwilling to entertain. We think that under your notice all the points which require particular attention of the shareholders having made their payments in cash, it is necessary to provide against the contingency of loss arising from the depreciation of the Austrian currency. For this purpose, as you will observe in our accompanying balance-sheet, we have opened a currency depreciation account, calculated at the rate of 15 per cent. on the amount (fl.900,000) will be kept intact and separately, such time as the notes issued by the Austrian Privileged Bank shall have been paid in cash, or until a general meeting of the shareholders shall have decided otherwise. We have consequently insured our safe and available securities, which we hold against the depreciation. We have, however, considered it advisable to convert our capital in foreign money, regulating the amount of the same against the upward or downward tendency of the Austrian currency, and so as to be in accordance with this principle. The profit for the past year, after paying all expenses (including the fixed remuneration of the directors) amounts in Austrian currency to fl.673,118.84; Austrian currency to fl.56,762.32—total, fl.616,356.52. From this, in accordance with the statutes, 6 per cent. interest on the paid-up capital is to be deducted, amounting to fl.360,000 in silver money, leaving of currency in the past year, is equal to fl.402,853.52,

from this sum, in accordance with the statutes, 10 per cent. to be added as reserve fund, £21,350.30, there is left £192,152.70; and from this amount 10 per cent. as 'Tantième,' to be divided among the members of the Vienna and London committees, £19,215.27; leaving distributed among the shareholders a balance of £172,937.43, making a dividend of £1.72 (being the equivalent of $2\frac{1}{2}$ per cent.) per annum and showing a total dividend for the year 1864 of $8\frac{1}{2}$ per cent. The balance (£17,933.43) remaining in hand, after payment of the above dividend, we propose to carry forward to the credit of profit and loss account for the current year. We shall have to point out for the consideration of the next general meeting, some clauses in the statutes in which we think it will be desirable to make some alterations. Lastly, we have to inform you, in accordance with the statutes, the existing scrip certificates will be exchanged for provisional shares with coupons.—By order of the Council of Directors."

LONDON AND SOUTH AFRICAN BANK.

At the ordinary annual general meeting of the proprietors of this Bank, held on the 4th May, at the London Tavern; Mr. J. R. Thompson in the chair.

The following report was taken as read:—

After deducting all charges for the past year, and providing for bad and doubtful debts, there remains a disposable balance of £25,984. 8s. 4d. This sum £2,500 will have to be placed to the reserve fund, which amounts to £18,053. 6s. 3d., and £1,608. 6s. to preliminary expenses. At the end of the next year this latter account will be doubled. In regard to the depressed state of trade in the South African colonies, it seemed prudent in October last to declare an interim dividend of 5 per cent. only, but the satisfactory returns since received from the branches enable the directors to recommend for the approval of the shareholders a dividend of 18s. per share, which, with the payment made in 1864, will be at the rate of 8 per cent. per annum, free of tax, leaving a balance of £377. 9s. 4d. to be carried forward to the credit of profit and loss account for the next half-year. A branch has recently been opened at Richmond, with a prospect of success. The directors who retire are Mr. John Barry, Colonel J. Holland, Mr. W. Nicol, M.P., and Major-General G. B. Tremeneheere, who, being eligible, offer themselves for re-election. It is with great regret that the directors record the retirement of Mr. Henry Sharman, one of the auditors of the bank. It will be necessary to appoint auditors for the ensuing year."

Statement of liabilities and assets at London office and branches to 31st December, 1864. Liabilities: Capital paid up, £400,000; do. new, £98,733; £498,733; circulation, notes and Bank post bills, £29,983. 1s. 8d.; £406,193. 1s. 11d.; bills payable and other liabilities, £292,333. 6s. 4d.; reserve fund, £15,553. 6s. 3d.; balance of undivided profit, £44,439. 19s. 4d.; payment on account of dividend to June 30, 1864, £17,455. 11s. 8s. 4d.; total, £1,269,780. 4s. 6d. Assets: Specie on hand, and advances, £109,576. 4s. 6d.; bank premises, furniture, fittings, and property, £12,001. 3s. 6d.; local bills discounted, bills receivable, and other securities, £1,144,986. 4s. 9d.; preliminary expenses—original amount, £8,041. 9s. 9d.; less, deducted £4,824. 18s. 11s. 9d.; total, £1,269,780. 4s. 6d.

Profit and loss account: To interest, commission, £12,570. 6s. 9d.; to charges for the past year, including other expenses at head office and branches, £23,322. 2s. 6d.; to bills not due, £13,019. 1s. 11d.; to payment on account of months, ending 30th June, 1864 (paid 18th October, 1864, tax), £17,455. 11s.; together, £66,367. 2s. 7d.; to balance brought forward as per last annual statement of 31st Dec., £539. 15s. 4d.; by rebate on bills not due 31st Dec., 1863, £7,607. 10s. 9d.; by gross profit for the year ending 31st Dec., making provision for doubtful debts), £85,204. 4s. 10d.; total, £93,351. 10s. 11d. Proposed appropriation, viz. for 6 months to 31st December, 1864, at 18s. per share (to be paid by tax), £22,498. 13s.; amount to be applied in augmentation of profits, £2,500.; amount to be applied in reduction of profits, £1,608. 6s.; balance to be carried to next account, £26,984. 8s. 4d.

The Chairman, in moving that the report and statement be adopted, observed that at the last meeting the whole of the shares had been paid up, a few of the shares in the colony not having been paid up; now the whole was complete, and the entire amount stood in the books. It would be satisfactory also to have had been a considerable increase of deposits, the amount in 1863, having been £250,000, and in December, 1864, £300,000. It proved that the public had confidence in the establishment with regard to the circulation, it had been necessarily restricted by the managers, they being required by the deed of incorporation to keep a large amount of unemployed capital in hand to meet the demands of the public. An application had been made to the government for an alteration in the charter for the purpose of relieving the company from this difficulty. That application had been refused, and the new charter now only awaited the signature of the government, and he had no doubt that, as the result, they would have a very large addition to the circulation of bills not yet due formed a large item to the debit of the company. It had been taken at the very fullest rate. The gross amount of bills was £69,800, and in 1864 £85,000, which he submitted was a satisfactory rate of progress. (Hear, hear.) The reserve amounted to £15,500, now by the appropriation of the profits for this year it would stand at £18,000. The preliminary statement stood at £3,216. They now placed to the credit of the company, and the present year would obliterate altogether the debit of the company from their liabilities. In 1863 the gross amount of profits was £17,450; and for the year 1864, if the recommendations of the present report were adopted, it would be £22,498. 13s. result, he thought, showed a gradual and satisfactory progress. (Hear.)

Colonel Holland seconded the motion.

In reply to a question,

The Chairman said that all bad and doubtful debts had been provided for in the accounts.

A Shareholder remarked that while the profits were more than in the previous years, they were only paying 3 per cent. The increase ought to give them 3 per cent. more.

Chairman stated that the directors would do all they could to increase the dividend, but under all circumstances he thought the increase of the present dividend over that of the last half-year, when it was 14s. 6d. against 18s. on the present occasion, was satisfactory.

In answer to a Shareholder,

Mr. Maynard, the auditor, stated that the overdue bills had been brought to the notice of the auditors, and the amount to 31st December last was £1,000. Since then, however, about half that amount had come in, and in regard to the remainder it was amply covered by securities. A motion was then put and carried unanimously.

The dividend, at the rate of 18s. per share, making, with the 14s. 6d. paid for the previous half-year, 8 per cent. for the year, was then affirmed. Retiring directors were re-elected, and Mr. Maynard was re-elected professional auditor, and Mr. Jones was elected auditor, in the room of Mr. Sharman, deceased.

The usual vote of thanks to the chairman and directors concluded the meeting.

ASIATIC BANKING CORPORATION.

At an ordinary general meeting of the shareholders of this corporation held on the 4th May, at the offices, Lombard Street; Mr. F. Boykett presided.

Mr. W. Lawrence, the general manager, read the following report:—The court of directors, in presenting their first report and balance-sheet, expressed great pleasure in congratulating their co-proprietors upon the success attained by the bank during the brief period that has elapsed since the commencement of its operations. The half-year for which the accounts are now rendered, and during which period a portion only of the branches of the bank have been working, represents not only the most favourable season of the year in India, but has also been characterized by a severe monetary crisis in this country, which has necessitated the exercise of the utmost caution in conducting the business of the bank, and consequent restriction of its operations. Notwithstanding these difficulties, the net profits, after deducting all charges upon the current business of the bank, and fully providing for all bad and doubtful debts, amounted to £70,439. 4s. 8d. This sum the directors propose to distribute in the following manner, viz.:—£37,500 by a dividend at the rate of 15 per cent. per annum; £12,500 by a bonus of 10s. per share, equal to 5 per cent. per annum, being together equal to 20 per cent. per annum on the capital on 31st December, to be paid to the proprietors free of income tax; £8,484. 11s. 11d. in liquidation of the whole of the preliminary expenses; £5,500 to be added to the reserve fund, which, with the premiums received from the recent issue of new shares, will then amount on 30th June to £175,000; and the balance, say £6,454. 12s. 9d., they propose to transfer to the credit of the profit and loss account for the current year. The directors have further the pleasure to congratulate the shareholders upon the successful issue of the new shares, both here and in India, which have been promptly taken up upon the terms specified in the circular issued at the time to the original proprietors; the additional capital, not required by any exigencies of the bank, was deemed desirable to put it upon a footing suitable to its increasing business. The directors term of office has now expired, being eligible for re-election, offer

themselves accordingly; and they recommend the present able professional auditors, and the election in professional auditor for the current year. The directors the shareholders to authorise them to declare and pay dividend half-yearly, for the current and future years, desirable, pending the final adjustment of the accounts.

General Balance, December 31, 1864

LIABILITIES.

Dr.

Capital, 25,000 original shares at £20 each	...	£500,
Less calls in arrear	... ..	4
Current and fixed deposits	... ..	...
Bills payable and other sums due to the public	...	...

PROFIT AND LOSS ACCOUNT.

Balance from June 30 to December 31, 1864, after deduction of charges and making provision for bad debts ...

ASSETS.

Cr.

Coin and bullion	...	...	...	...	...
Cash with bankers and money at call	...	...	...	...	...
Government securities	...	...	...	...	...
Bills receivable, loans, &c., due to the Corporation	...	...	...	...	...
Preliminary expenses	...	...	...	...	...

Profit and loss account for the half-year ended 31st

Balance carried forward
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Net profit from 30th June to 31st December, 1864, subject to deduction for income tax

January 1st, 1865. By balance brought forward ...

The Chairman, in moving the adoption of the report he might fairly congratulate them on the position. Looking at the short time of its existence its success was remarkable. There were current and fixed deposits, £3,383,547, and £1,727,329, which were not denied. There were bills payable, £1,727,329, which were not denied; and the profits were £70,439, being at the rate of 10 per cent. on the capital. He believed that also was unprecedented, and he thought them on this result when there had been a panic in the market, and the condition of the market required the directors to take such steps as they thought fit. The whole he thought it was a most extraordinary success. The preliminary expenses. They were £7,800, and a considerable amount. They were retained by their officers before the business commenced. With the permission of the shareholders, they intended to write

there was some general and natural uneasiness felt on of many of the institutions connected with the at, from the 31st December last, everything had them. They had gone very carefully into the , and very closely scrutinised their securities, and as that day they should not only be able to pay a but a larger one; and making a liberal allowance s, they did not allow one-third of the profits for was a most satisfactory result, and they took some it, but it was not all due to them. It was to the ay, to the council there—and one excellent mem- sent—that they owed this result. (Hear, hear.) hrown their heart and soul into the bank, and n that their services were of the highest value, their deep gratitude to them for their care.

the motion, which was instantly agreed to. oved the declaration of the dividend, at the rate m, free of income-tax, with £5 per share bonus, ble on and after the 6th inst.

the motion, which was unanimously carried. ed that the directors be empowered to pay such e current half-year as they may seem fit, pending e accounts.

the motion, which was also agreed to. s, Messrs. Scott, Boykett, and Russell, were re- s, Messrs. Coleman, Bird, and E. J. Milne. r. Parsons, seconded by Mr. Coles, thanks were he bank in India, to whose exertions the success

ted, on the motion of Mr. Scott, to the home rs, the agents and officers of the bank, for their year.

ERN BANKING COMPANY, LIMITED.

ral meeting of the shareholders in this company ay, at the offices of the company, 60, Gracechurch , Esq., occupied the chair. The resolution passed eeting recently held, authorising the name of the at of "The English Joint-Stock Bank, Limited," ned.

BANK OF SCOTLAND, LIMITED.

ne shareholders of this bank was held at the London for the purpose of receiving from the liquidators s of the winding-up of the affairs of the company, ons conferring powers on the liquidators to vary the agreement with the Mercantile and Exchange W. Cargill, M.P., in the chair. e liquidators had not intended to call a meeting at eing necessary that they should call one within liquidation not having been completed. A requi-

sition for a meeting having, however, been laid before the shareholders in accordance with the articles of association, the liquidators admitting the authority of such a document under the terms of which the affairs of the bank were, were unwilling to give the shareholders the opportunity of asking for such explanations. A circular had also been received stating that at a meeting of the shareholders a committee had been appointed to investigate the affairs of the bank, especially as regarded the condition of the bank, the Mercantile and Exchange Bank, but there had been no reply from the liquidators since, and no reply therefore had been made to the shareholders with which the document was accompanied, that access to the books and papers. When the meeting to consider the proposed amalgamation with the Mercantile and Exchange Bank was held, a deal of speculation existed, and the shares of both companies were at a high premium, and the Bank of Scotland was induced to accept the amalgamation on account of the standing of the other company and the confidence it enjoyed in London and Liverpool. Some of the shareholders completing the agreement owing to this company having branches in the north of England which the Mercantile and Exchange Bank resolved not to accept, and subsequently there was a crisis occasioned in consequence of the Bank of Scotland not accepting, to bring the accounts of the various branches in a state of order by accounts as mutually agreed. At length the Mercantile and Exchange Bank made a very fair proposal to them with respect to the division of the net profits as the basis of the agreement; the proposal was accepted, and this company carried out the first part of the arrangement, and over to the other company the first contribution specified in the agreement, the crisis which came upon them last autumn prevented them from settling their accounts and paying over the rest of the money, and the Mercantile and Exchange Bank having at the time fallen into liquidation, the amalgamation was not pressed forward, because if that had been done, this company would have been absolved from the arrangement, and would have been entitled to the sums they had already paid. The Mercantile and Exchange Bank, however, weathered the storm, and a thorough investigation since been made in the interest of the shareholders of the Mercantile and Exchange Bank appeared that it was a solvent concern with a good business, and did not exceed £98,000 in the aggregate, instead of £100,000 as had been stated. Exception had been taken to the payment of any money to that company before a thorough investigation of its affairs had been made by accountants, but as the directors of the Mercantile and Exchange Bank considered the arrangement was the fault of the Bank of Scotland, the liquidators had acted in a proper way, and exercised discretion in the matter. The liquidators took that opportunity to pass in two resolutions, the object of which was to release the company from an obligation to take any further shares in the Mercantile and Exchange Bank beyond the original 10,000 shares created by the arrangement, which had already been taken and paid for. The agreement provided that the second 10,000 shares, credited with £5, should be all taken up, but from this obligation the directors of the Mercantile and Exchange Bank would, if they obtained the concurrence of their shareholders, be ready to release them. (Hear.) Beyond this there was no further to be said, this company was to have at par, in order that the proposed arrangement was made, would have amounted to a

on of the amount they were paying for the purchase of the Mercantile and Exchange Bank; but those at £10 premium, were now at £3 discount, and power to cancel, with the consent of the other bank, but also. He concluded by moving resolutions for maintained.

They could not consent to any arrangement of the resolutions until they were better acquainted with

it, as the object was merely to release them from a little objection to it; but it was for the share-

holders as an amendment a direction to the liquidators to place the creditor account of the affairs in their hands.

The manager, read a statement of the assets and liabilities on the 3rd of May, and estimated the probable loss at £54, which upon 20,000 shares would amount to £108.

He stated that the accounts were more satisfactory than he had expressed an opinion that the shareholders would have been interested in the hands of the present liquidators.

He moved that the meeting should stand adjourned till a later date, as the directors had been appointed to investigate and report on the company's affairs.

He stated that if they rejected the proposal of the liquidators to pay £10 for what they could now go into the market for at £13, they would be

satisfied himself perfectly satisfied to have got a £10 share in the Bank and Exchange Bank for a £13 share in the Bank and Exchange Bank, indeed all that they were promised.

He was seconded by Mr. Marshall, one of the original directors of the Bank, but after a brief discussion was negatived. The resolutions were carried unanimously, and a vote of confidence in the liquidators was carried and the meeting separated.

PROVINCIAL BANK OF ENGLAND.

A general meeting of proprietors was held on the 1st of June at the bank premises in Bishopsgate Street; Mr. J. M.

Mr. Marshall did not but think that the circumstances under which the bank was first started, the first time in that building, destined, he trusted, for the success of the bank, were singularly propitious. The bank had been inaugurated under more favourable auspices, and after a year of unprecedented prosperity, they were now free of seeing struck off the last fetters with which they had shackled their freedom of action, and that they were now on an unimpeded course of progress and development. They were now course aware of the disabilities under which the bank had been placed. Not only had they been prevented from issuing shares within a distance of sixty-five miles from London, but they were forbidden to enter upon the ordinary business of

banking in the metropolis, had been actually prohibited town agents for their own branches, and had been other establishments to execute duties which their much better qualified to perform. There was, when under a grievance imposed upon them by legal enact of compensation if the law of which they complained and that the rule, however obnoxious, extended That consolation, such as it was, had been denied legislative oversight Scotch and Irish banks, constantly were issuing their own notes, were not hampered by as they were thus, in addition to a sense of great galled by a feeling of injustice. Their only remedy things was the sacrifice of their circulation—a sacrifice most reluctant to recommend, but to which he in the end have submitted, so great had they felt of being excluded from their proper position That was no place for political discussion, and it him to express either party censure or party was sure he should not be giving utterance to the leagues or to his own if he did not record their cordial to Mr. Gladstone for the very liberal spirit in which their grievances, for the kind and courteous manner always received their representations, and for the courage exposed himself to troublesome opposition in dealing Doubtless, the Chancellor of the Exchequer, acting sought what he considered to be the public interest. make some sacrifices, but a vested interest of fifteen lation, the right to incorporate other branches of their circulation by the amount of their ascertained in all their disabilities, and giving them fresh privileges which they might well rejoice, and for which be grateful. It was only due to one of their of the member for St. Ives, that he (the chairman) testimony to the ability and industry with which had advocated their cause. Amidst all their pride deplore that Daniel Robertson, late general manager director to whom the bank owed so much—was not a the triumph; and they had also to regret the loss of one of the largest shareholders in the concern and years' standing. He then proceeded to read the report the result of the year's transactions were as follows: Rest or undivided profits at 31st December, 1863, as examined in May, 1864, including premium on shares Less—Bonus declared and paid in cash in 1864 out of £63,000; reserve fund set apart on government securities net profits of 1864, after making allowance for bad &c., £303,800. 1s.; together, £513,252. 6s. 2d.; and carried forward for 1863, £10,000; total, £523,252. dividend on company's stock, paid July, 1864, £38,400; 1864, paid January, 1865, £40,800; bonus of £86,400; undivided profits carried to the next together £185,600; leaving £337,562. 6s. 2d. Our directors propose to declare, in addition to the foregoing bonus paid to proprietors above stated, a further bonus

a division of profits in 1864 in all 28 per cent. upon the paid-up at 31st December, 1864, free of income-tax, amounting to £112,200, reserve, £225,452. 6s. 2d. The directors, with a view to mark their tion of the zeal and efficiency of the staff, and to characterise the prosperous and exceptional nature of the year's operations, voted a of five per cent. to their officers, in addition to the usual bonus of ent. of recent years, which was paid at Christmas last.

The motion of the Chairman, seconded by Mr. J. O. Hanson, the report unanimously adopted.

Retiring directors, Mr. W. J. Maxwell, Mr. H. McChlery, and Mr. J. on were re-elected, and the two vacancies at the board were supplied by the election of Mr. Duncan Macdonald and Mr. George Hanbury

shareholder, while expressing extreme gratification with the results of the year's operations, suggested that it might be well in future to present a detailed balance-sheet, showing in what the securities consisted, and the means of estimating the value of their business in different districts of the country.

The Chairman observed that suggestion involved an entire change of the constitution of the bank, and though of course the directors would act upon the wishes of the shareholders in the matter, he thought it would be well to propose agreeing to alter a system which had hitherto worked so well. The directors could get any information they might desire by applying at the bank. The provision for bad debts, low as it was, was rather over than under, it being the invariable practice to calculate all possible losses actually made.

A vote of thanks was passed to the chairman, and a similar compliment was also passed to Mr. A. Robertson and Mr. E. Atkinson, the joint managers, was acknowledged by Mr. Robertson, who, in the course of his remarks said that in the administration of the affairs of the bank it had been the endeavour of the directors to combine progress with security, and the evidence of their success was to be found in the amount of the increase in the position of the company's stock in the market. The proceedings then terminated.

BANK OF HINDUSTAN, CHINA, AND JAPAN, LIMITED.

An ordinary meeting of this corporation was held on the 15th May, 1865, at the London Tavern, Mr. James Nugent Daniell in the chair.

The following report was taken as read:

The net profits of the year, after defraying all expenses and providing for contingencies, amount to £15,893. 12s. 11d., including a balance of £827. 11s. 1d. carried forward from the accounts of the previous year, out of which a dividend of £14,746. 5s. has already been paid as an interim dividend on the 1st of August last, leaving a balance of £1,147. 7s. 11d., which it is proposed to carry forward. The directors have to express their regret that the operations of this company during the past year have not been a more profitable result; but taking into consideration the commercial depression of the country, the recent formation of the bank, and the gradual extension of the business abroad, the peculiarly disorganised condition of commercial affairs in the latter part of the year 1864, and the existence of a state of

things specially calculated to embarrass the success of the bank, it must be a source of satisfaction that the year have resulted in a profit, that a solid footing has been established by the bank, and its business and connections free from causes which acted prejudicially to the welfare of the bank, a peculiar and exceptional character. They have shown that the operations of the present year have shown satisfactory results, and it is therefore evident that there was no interruption to the successful operations of the bank. The circumstances which were beyond the control of the bank, meeting which confirmed the amalgamation with the Bank of China, India, and Japan, Limited, took place on September last, and on or after the 12th October last, the shareholders in that institution (with the exception of those who pressed their dissent within the specified time) were registered in the register of shareholders of this bank. The number of shares in the Imperial Bank of China, India, and Japan, Limited, and the number of shares refused by shareholders in that institution was fifty-eight. Thus, of the 20,000 shares issued by this bank 1,368 may be considered as unissued. The amount of capital in this bank on the 31st December last, and on the 29th ult. it amounted to £720,444. The pleasure to report that, notwithstanding a variety of circumstances, the calls have, on the whole, been remarkably well met, and the amount of the bank amounts at present to £92,900. In Japan branch, with its sub-branches at Kandy and Point de Galle, the progress of these establishments, although extending scarcely six months, is satisfactory. The directors have the pleasure to report that in February last a branch was opened at Yokohama. They have with regret to report that a vacancy occurred in the past year, by the death of Mr. J. H. R. De Cassin. In accordance with the powers conferred upon them by the Charter of Incorporation, they have elected Mr. Sassoon David Sassoon to the vacant seat, which election, they have no doubt, will meet the approval of the shareholders. The directors who retire by rotation are Mr. Nugent Daniell, Esq., Deane J. Hoare, Esq., and Henry Goodson, Esq., and Frederick Wm. Spooner, Esq., all of whom are likewise eligible, they offer themselves for re-election.

Balance-Sheet, December 31st, 186

<i>Dr.</i>	
Capital paid up	...
Amount due to the public on current and deposit accounts	...
bills payable, endorsements, circular notes, letters of credit, &c.	...
Reserve fund, £1,000; premium on second issue of 10 shares at £2 per share, £20,000; less 215 shares unallotted, £430, £19,570; premium on account of third issue of 20 shares, £19,412.	...
Balance as per profit and loss account	...

and with bankers	...	...	...	...	...	...	...	£506,603	9	5
on hand and in transitu	...	...	...	...	...	...	...	60,999	2	9
on securities	...	...	...	...	...	...	...	378,116	7	9
on bills, loans, bills discounted, &c.	...	...	...	...	...	...	...	5,989,495	16	2
on premises in London	...	...	...	...	...	...	...	29,337	14	5
on effects, including furniture at head office and branches, insurance, &c.	...	...	...	...	...	...	...	13,070	12	5
on other expenses, £7,458. 18s.; less amount written off, &c.	...	...	...	...	...	...	...	7,000	0	0
								<u>£6,984,628</u>	<u>2</u>	<u>11</u>

PROFIT AND LOSS.

at head office and branches for salaries, direction, printing expenses, stamps, rent, taxes, income-tax, advertisements, &c.	...	...	...	...	...	...	...	£43,185	5	5
dividend paid 20th August, 1864, at the rate of 10 per cent. per annum	...	...	...	...	...	...	...	14,746	5	0
carried to profit and loss new account	...	...	...	...	...	...	...	1,147	7	11
								<u>£59,078</u>	<u>18</u>	<u>4</u>

profit on 31st December, 1863	...	...	...	...	...	...	...	£827	11	1
at credit of profit and loss for the year ending 31st December, 1864, after allowing for rebate on bills outstanding and providing for losses, £78,170. 14s. 8d.; less interest on current and deposit accounts £19,919. 7s. 5d.	...	...	...	...	...	...	...	58,251	7	3
								<u>£59,078</u>	<u>18</u>	<u>4</u>

RESERVE FUND.

...	...	...	...	...	...	...	...	£39,982	0	0
on December 31, 1863	...	...	...	...	...	...	...	£1,000	0	0
since transferred...	...	...	...	...	...	...	...	38,982	0	0
								<u>£39,982</u>	<u>0</u>	<u>0</u>

The chairman said it was with no ordinary degree of anxiety that the bank had looked forward to this meeting of the shareholders, that arising from two causes. In the first instance, they, as commercial men, were well aware what had been going on here and in India for months, especially in the latter part of last year, and they were aware that very serious rumours had been set afloat, which he hoped to find were utterly incorrect as to the loss of the capital of the bank. They were conducting a steady but lucrative business, and they were able to pay a dividend at the rate of 10 per cent. per annum for the year. Not only were they justified in paying that dividend—the shareholders justified it—but they felt that the shareholders ought to receive a dividend, which became now 5 per cent. for the year. Well, the fact that took place in this country reacted on India, but the bank

laboured under special disadvantages, as they must be aware that at the latter end of last year the London came, to a certain degree, in disrepute, and no greater was felt than in the bank which was their correspondent manager had to look to safety rather than profit. In disadvantage it was impossible for them to guard against, they found what the position was they got another the National Bank, and from that time to the present on as satisfactorily as the circumstances of India would permit. In the present year everything had gone on very satisfactorily, they had had many difficulties to encounter; in the managers they had endeavoured to select the best men, so successful in this that in two instances their managers had other business at increased salaries, and this was a test to the bank. In all cases of this kind there were no considerations, but above all they must consider the safety, must maintain its integrity and its character, and they never transpired at that meeting they would all remember not to do anything to destroy the confidence that existed in the bank. They had made but very little profit in the year, they stood with an amount of capital of £720,444, £92,000, and when the shares were all paid up that was £1,000,000, so that their position was not an unfavourable one. He was happy to answer any questions, and would conclude the adoption of the report.

In reply to the shareholders, the Chairman said that the dividends had not been paid, and that was why the amount to more than £92,000.

Captain Beville asked how it was that 1,310 shares of China, India, and Japan, remained unallotted.

Mr. James Levick said they were returned with a view to introduce into the bank some gentleman of great influence and to give an opportunity offered.

Mr. Stuart suggested that the miscellaneous expenses were high.

The Chairman pointed out that the expenses of carrying on the business in India were necessarily high.

In reply to Mr. A. Kintrea, the Chairman said that the remuneration received by the directors for remuneration was £3,500 a year, in reference to the rumoured losses, since December last, and in reference to one account in respect of which there seemed a loss of 15s. in the pound, and under very unfavourable circumstances would not exceed £10,000.

Mr. Kintrea urged the directors that in the present circumstances it was undesirable that the retiring directors should be re-elected.

The Chairman thought the proper course would be to proceed in the ordinary manner.

Mr. J. C. Bolton deprecated the course suggested, and thought nothing was so unwise as to remove directors from the affairs of the bank, simply because the shareholders had not seen one half-year's report. He thought one cause of complaint was so late.

The Chairman said the lateness of the period of the

being possible to get the accounts from China at an

plained that several of the directors of the company so many other companies as directors that they could attention to the affairs of the bank that they required, state of things injured the tone of the bank.

plained that in the "Joint-stock Directory" names directors of companies of gentlemen who had nothing to do with the affairs of those concerns. It arose from companies of five or six persons, all of whom were, and hence it was his name appeared to eight companies of his own, and certainly had not more than he was able, or he would resign.

shareholders, the Chairman explained that the losses were secured by produce, and the outside of the loss on that, he believed, be £15,000.

in conversation the report was adopted.

proposed that Mr. James Nugent Daniel be re-elected.

seconded the motion.

the election of Mr. Daniel, on the ground that he had been a director in fifteen or sixteen companies. Their business had been taken from Messrs. Robarts, taken to the Alliance Bank, the connection with which was not to the concern. He objected also to the other two

Mr. Hoare, because he was a director in many companies, had been a director of a bank and withdrew from it, and subsequently stopped. Mr. Young might have been a director; he was not a man who would bring any connection

actively denied that he belonged to as many companies as had been referred to, and further, he stated that he was not a director of the bank because he was a director of the

was re-elected.

then moved the re-election of Mr. Deane J. Hoare.

seconded.

seconded the re-election of Mr. Hoare on the ground that he could introduce influential men to the board, and moved that the board be filled up at present.

seconded the amendment on the ground that they should have more gentlemen on the board.

proposed the amendment, contending that commercial companies should be allowed to join the board from which two gentlemen had been expelled.

was true he was a director of a bank at one time. He thought whilst he maintained that position the bank went on as well as it could not prevent a class of business being done to the disadvantage of the bank. He therefore resigned and in twelve months the bank came to grief. He was a director of this bank, and had from its commencement attended to its business and was only connected with three companies. If it was the wish of the shareholders that he should resign, and that wish was

indicated by the meeting, his resignation was in the hands of the chairman.

The meeting having indicated a wish that Mr. Hooper should adopt that course.

The Chairman then proposed the re-election of Mr. Hooper, and he said it was impossible to have a better or a more successful direction.

Mr. Dent seconded the motion, pointing out that Mr. Hooper, collector of customs at Bombay, was an original director of the Bank, and was an *ex-officio* director of the Government of India.

The motion was unanimously agreed to.

Mr. Maynard was elected shareholders' auditor, James Goodson, and Mr. Richard Spooner as professors of accounts.

A vote of thanks to the chairman closed the proceedings.

UNION BANK OF SCOTLAND.

THE following is the thirty-fifth annual report of the directors to the shareholders at Glasgow, on the 10th May :—"The directors have the pleasure to exhibit to the proprietors an abstract of the accounts of the bank as at 1st April last, and to report the results of another year's business. The balance of profit and loss account at 1st April, 1865, after providing for all bad and doubtful debts, is £148,028. 2s. 6d. The directors have written off £5,000 in reduction of the reserve fund, leaving a clear available balance of £143,028. 2s. 6d. To this the balance of 'rest' from last year, after providing for the dividend then declared, £109,368. 6s. 7d. The total profit at 1st April, 1865, is £252,396. 8s. 10d. The directors propose to set apart £80,000 for payment, on 1st December next, of a dividend to the proprietors of 10 per cent. per annum, less income-tax. Notwithstanding the results of the year's business, the directors trust to be able to concur with them in the propriety of retaining the dividend at the rate of 8 per cent. per annum. During the year the directors have elected Mr. John Buchanan, Cawder House, to be the retiring director in room of Mr. Stirling, resigned—an appointment which has now been requested to confirm. The directors who retire by rotation are Mr. Archibald Galbraith and Mr. John Beatson. Mr. Beatson, having joined the board within two years, is eligible for re-election; the directors recommend that he be re-elected; in the place of Mr. Galbraith the directors recommend the election of Mr. Donald Galbraith, who is to be associated with the Glasgow, and Edinburgh committees. In the month of January, Mr. Gairdner, of whose health rendered necessary three years ago the resignation of Mr. Gairdner, tendered his resignation of the office of managing director, now notifying their acceptance thereof, the directors have on record the sense they entertain of the zeal and ability of Mr. Gairdner, and the interest he has invariably manifested. On Mr. Gairdner's resignation, Mr. Gairdner was re-appointed manager, and Mr. Gairdner assistant-manager of the bank."

State of affairs of the Bank, 1st April, 1865.

LIABILITIES.

deposits, receipts, balances due to banking	...	£7,771,886	15	11
agents and marginal credits	...	231,022	15	5
	...	579,299	0	0
Liabilities to the public	...	£8,582,208	11	4
£6,000; rest, or surplus profit, from last year; profit and loss account, 1st April, 1864; total accumulated profits, total liabilities to the partners	...	£1,252,396	8	10
		£9,834,605	0	2

ASSETS.

London and country bills, cash accounts, and securities	...	£7,507,748	7	6
Edinburgh, and branches	...	£172,482	4	10
Government securities, £1,041,023. 13s. 9d.; and investments, £270,624. 10s. 5d.—; gold and silver coin, notes of other banks in hands of London and country	...	2,154,374	7	10
		£9,834,605	0	2

IONIAN BANK.

A meeting of proprietors was held on the 26th May, at the in Great Winchester Street; Mr. Lloyd in the chair. by Mr. Kettlewell, the secretary, as follows:—
 The last year's operations will sufficiently appear from the statement. The directors think it a fair subject of congratulation, were able, after a careful investigation of the affairs of the bank, to declare on the last occasion a dividend at the rate of 10 per cent. per annum on both the old and new shares, having regard to the fact that after payment of the dividends they had in hand at the beginning of the present year, with the addition of the £6,000 derived from premiums on new shares, amounts to over £48,000, they entertain no doubt that results equally satisfactory may be looked for in the year 1865. The profit and loss account for the year 1864 is as follows:—
 Credit of profit and loss on the 1st January, 1864, was £19,764. 11s. 5d.—
 Profit for the year, after deduction of charges and bad and doubtful debts, is £19,764. 11s. 5d.—
 £163. 2s. 5d. less two dividends of £6,000 each, paid £12,000—leaving to the credit of profit and loss £48,163. 2s. 5d.—
 The board had naturally felt some anxiety as to what the change in the position of the bank relatively to the National Bank of Greece becoming entitled, of the Ionian Islands, to establish its own branches

in those islands, while no reciprocal advantage was company. In this state of things, and there being other might have interfered injuriously with their prospects to Athens, taking Corfu in his way, and in conjunction there, took the necessary measures for the protection of the bank. They were met with great courtesy and National Bank, the commissioner, and by all the result was, that whereas there had been some idea of a relationship between the two companies, yet, seeing the principles of the constitution of this bank differed from of the National Bank, it was thought better that they upon a mutual understanding that there should be no no lowering of the rate of interest without the concurrence in fact, that there should be harmonious action between been done, and assurances of good will had been National Bank in the presence of the minister. As to afloat which they had had to meet, the sting had been directors now had no dread of competition from any both at Corfu and Athens such a general impression of stability of this bank, and such a great readiness to accept in preference to coin, that there appeared to be no doubt the good position they had. If rival concerns were company would still get the best business, and the directors be content with their leavings. The next question to consider was, whether they should extend their operations to more active commerce of the Levant, but it had been more prudent course not to embark in more extensive which, though they might be productive of profits, attended with increased risk. (Hear, hear.) The Loughnan, who retired on account of ill health, pension, and it was also proposed to give him a seat in place would be supplied by Mr. Merlin, the company, who had been resident there for a long time, who was was on the most friendly relations with the government understood the principles and practice of exchange business of capital which had been called up had been employed legitimate banking business. The directors did not think other call would be required at present, but if the experience, or the prospect of profitable employment of capital a demand would probably be made to the extent of £1,000,000 were two things wanting for the development of the good government and the re-establishment of her credit in Europe. No people were more amenable to law and wanted a firm but gentle hand holding the reins to talent and industry to the promotion of their prospects heard from a Greek a dream of repudiation, and if herself in the position she ought to occupy in the there were many things in which the bank could be a the Greek government. He concluded by moving report.

A Shareholder—You do not intend at any time to half of the new shares.

The Chairman—That must of course depend upon do not foresee any likelihood.

was adopted, and the retiring directors, Mr. Alex. Pandia and Mr. H. R. Farrer, having been re-elected, the usual dividend was paid to the chairman and directors, and the meeting

LONDON AND BRAZILIAN BANK, LIMITED.

A general meeting of the shareholders was held on the 11th of January at the Tavern, for the purpose:—1. Of receiving and considering the report of the directors. 2. Of taking into consideration the arrangement which has been entered into by the directors with Messrs. Mauá and Co., and, if the same be approved, of passing resolutions as to the meeting shall seem fit, empowering the directors to take such steps and do all that may be necessary or proper to give effect to the proposed arrangement. 3. To decide on the proposal made by the directors for increasing the capital of the company by the creation of 22,000 shares of the nominal amount of £20 each. Mr. J. W. Cater presided. The report was taken as read:—

The directors have summoned this meeting of the shareholders in order to lay before them the details of the provisional arrangement which was notified by circular of the 17th April) the board have made arrangements with Mauá and Company, and also to advise with the proprietors in which the additional capital which will be required for giving effect to that arrangement, should be raised. The directors have for some time past had under their consideration the extension of the business of the bank to the River Plate, and at the conclusion that such extension was not only desirable as a profitable field for banking, but imperatively called for in all effect to the operations of the establishments in Brazil, the directors took steps to open a communication with the government of Santafé with a view to obtaining a concession for the establishment of branches at Rosario and at the city of Santafé. Pending the result of the government of Santafé, your directors received from Messrs. Mauá and Co. who (as the shareholders are no doubt aware for many years been carrying on a very important and successful business in the River Plate, were about to convert their private bank into a joint-stock company, and suggestions were made for an amalgamation of the interests of the two undertakings, by which this would be to itself the advantage of an existing position and opening a new district to which they proposed to extend the Company. Your directors unanimously adopted the suggestion which was made, and in doing so they were securing an arrangement to the satisfaction of the shareholders, and likely to work satisfactorily, inasmuch as it was mutually advantageous to both of the contracting parties. Following are briefly the details of the agreement which the directors have provisionally entered into with Messrs. Mauá and Co.; and which was read to the meeting:—

The amalgamation shall take effect as from 1st January,

and the amalgamation shall be effected by means of the incorporation of a new joint-stock bank under the limited liability law of the name of the 'London, Brazilian, Mauá, and River Plate

Bank,' and with a nominal capital of £5,000,000 sterling of £20 each, £7. 10s.* of which shall be paid up.

"3rd. That 150,000 shares with £7. 10s. per share to Messrs. Mauá and Company, and the remaining to the London and Brazilian Bank for distribution amongst the public, as the bank shall determine.

"4th. That the shares shall be issued to the public thereto, in exchange for cash or approved securities, that not less than one-half of the shares, to which the public is entitled, shall be taken up on the 1st January 1866, the remainder of the shares shall be taken up, at latest, 1866.

"5th. That the bank of Messrs. Mauá and Company and Brazilian Bank shall each liquidate, and neither shall do any business on their own account beyond the 1st January 1866, period, if it shall be found convenient, the liquidation shall be carried on by the new bank on their respective terms.

"6th. Messrs. Mauá undertake to obtain for the new bank the issue of bank notes at Montevideo and Rosario, which the bank of Mauá and Company.

"7th. That the business of the new bank should be carried on at Rio de Janeiro, Pernambuco, Bahia, Santos, and St. Paulo, Porto Allegre, and Pará, in the Brazils; and at Paysandu, and Mercedes, and at Rosario and Buenos Aires, in the Argentine Plate; at Lisbon and Oporto, in Portugal; and at all other places which shall be determined by the directors of the new company.

"It will thus be seen that the shareholders of this bank are to participate in a large and valuable existing business, and in the issue of bank notes, without any payment being required. In order to enable this bank to take its place in the amalgamated undertaking, it will be necessary to increase the present capital so as to command on the 1st of January 1866 a capital of £750,000 sterling. To effect this, it is proposed to make a further call (to be payable on 1st December next) on the existing 13,000 shares, and to create 22,000 new shares, the allotment of which the shareholders shall be entitled to the extent of three of such new shares for every one of the old shares. The account will stand thus :—

Old shares (£100) 13,000	} On which £400,000 has been paid up, and a call of £50,000 will be made payable on 1st December, 1865.
Three new (£20) shares for every two existing (£100) shares 19,500	
	} On which £2,100,000 will be payable on 1st December, 1865, and a further call of £50,000 on 1st January, 1866.

* "It was originally proposed (as intimated to the shareholders on the 17th April last) that the immediate payment on the new shares should be £20, but it has since been arranged that this sum shall be reduced to £10, the sufficient paid-up capital for the immediate requirements of the business."

of new shares in
tion to any not taken
the proprietors (for allot-
by the board) 2,500

On which £2. 10s. per share
will be payable on allot-
ment, and a further sum
of £5 on 1st December,
1865 18,750

25,000 £750,000

The shares in the amalgamated bank will, as above-mentioned, be of nominal amount of £20; so that on the 1st January, 1866, those shareholders of the London and Brazilian Bank who are the holders of shares of nominal amount of £100, will be entitled to exchange each such share with £45 paid up, for six £20 shares in the amalgamated bank, with £7. 10s. paid up. The holders of the new £20 shares in the bank will exchange those shares for shares of an equal denomination in the new bank, with £7. 10s. paid up. Although the special business of the meeting is the consideration of the proposed arrangement with the Mauá and Company, and the increase and issue of new capital, the directors have thought that it would be satisfactory to their shareholders at the same time to receive a report of the results of the management of the bank during the half-year ending 31st December, 1864, and they have accordingly requested the auditors to examine the balance-sheet and profit and loss account to that date. These accounts are appended to this report. It will be seen thereby that after writing off the £16,575. 7s. 6d. for losses, the net profit for that half-year amounts to £52,175. 11d. This will enable the directors in July next to declare an interim dividend of £1. 10s. per share (being equal to a dividend at the rate of 7½ per cent. per annum), and to carry over a sum of £175. 11d. to the next account, which the directors feel confident their shareholders will consider satisfactory."

BALANCE SHEET, 31ST DECEMBER, 1864.

paid up	£520,000	0	0
... ..	1,977,352	18	0
payable, and other liabilities	2,371,547	16	10
fund	20,000	0	0
and loss	65,240	8	3
	<u>£4,954,141</u>	<u>3</u>	<u>1</u>

and cash on hand or at bankers'	£285,335	0	11
receivable and other assets	4,668,806	2	2
	<u>£4,954,141</u>	<u>3</u>	<u>1</u>

PROFIT AND LOSS ACCOUNT.

and to June 30th, 1864	£15,600	0	0
in London, £5,093. 18s. 6d.; charges in Brazil,	18,212	10	4
1869. 10s. 5d.; charges in Portugal, £2,209. 1s. 5d.	31,427	17	11
carried down	<u>£65,240</u>	<u>8</u>	<u>3</u>

Subsequent probable loss at Pernambuco	...	...	...	...	...
Balance carried down	...	...	...	...	...

Cr.

Net profit to 30th June, 1864	...	...	...	...	...
Profit to 31st December, 1864, after deducting all known loss to that period, rebate of interest on bills discounted not and interest on deposits

Balance brought down
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Balance brought down
Reserve fund

The Chairman stated that he considered the proposed amalgamation the most satisfactory act which had been taken for the interests of this company. Independently of the fact which was exceedingly valuable, they had the satisfaction of being on behalf of the amalgamated company Baron Mauá, whose standing were beyond question, and who, as his business was a clever man of business. His business as a bank was a possible standing on the River Plate, and he had a very large circulation—much larger, in fact, than the meeting had heard of (the chairman) did not think it advisable to go into details at present. The extent of the business of the house could be imagined when he stated that on the River Plate there were inwards and outwards, to £1,000,000 sterling, and it was judged of from the fact that, on the resumption of business after suspension caused by the war in Monte Video, the bank had a government that his firm would not require the same security as them in common with all others, but would be prepared to make payments in two months, and they were now sending them to the country for that purpose. In taking over the assets of the bank, arrangements would be made as he trusted would satisfy the directors. The directors would not go rashly to work, and they would not take over 1s. of any assets of which they did not have and in the same way, by the terms of the amalgamation, the company only as were approved by the baron would be amalgamated bank. In conclusion, he moved the adoption of the report, which included the confirmation of the declaration of the dividend recommended, viz., at the rate of 17s. 11d. per annum, carrying over £8,552. 17s. 11d.

The motion having been seconded,

A Shareholder asked whether the amalgamation was on equal terms?

The Chairman—Yes, on perfectly equal terms.

The Shareholder—We have a reserve of £20,000. The Co. have £150,000 of the united capital, and we £20,000. We meet us on equal terms, to raise a reserve half as much as they—how is that arranged?

Chairman—Each party will be entitled to all their own assets be-
 required capital, and whatever surplus there may be over our
 the capital to our credit will, when our affairs are wound up, be
 amongst the shareholders. Some people have imagined that the
 interest being the larger would swamp ours. The facts are these—
 titled to £150,000 in the share of the amalgamated company, our
 on being £100,000. The 150,000 represents the portion of paid-up
 ontributed by Mauá and Co., and the shares will be issued as
 tal is paid up. They will be issued to the baron, whose arrange-
 with his own co-partners do not terminate until 1866, and until
 y cannot claim anything. But the baron informs me that the
 art of his proprietors require more than their proportion of the
 r local distribution. Most of them will retain their own shares,
 n of capital, and having great confidence in the prospects of the
 s regards himself, he tells me that most probably £50,000 of his
 n of the shares will never see the daylight for some time to
 t will be retained by him in his own hands. But, after all, what-
 y become of these shares, the control will always be with our
 y. We merely take in the baron as a director, but in forming
 arrangements I think it will be desirable to stipulate that the
 first appointed shall continue in office for a year and a half or
 s, for it is obviously desirable that in the management of a bank
 urs no sudden change should take place.

eholder asked what were the operating motives which induced
 i to come to this agreement? It had been suggested that if the
 Mauá and Co. was so good a thing as had been represented he
 cely have desired to get rid of it on such terms.

Chairman replied that the baron being no longer a young man was
 of that ease which was suitable to his age, besides which he wished
 isure to be frequently with his children, who were being educated
 ountry. If this company had not taken up the business, the
 Mauá and Co. would have been brought out as a joint-stock

otion was then put and carried unanimously, as were other formal
 as, empowering the directors to take the necessary steps for carry-
 the amalgamation.

Chairman, in reference to the accounts and balance-sheet for the
 year, congratulated the meeting on the results. Notwithstand-
 isruption of trade and a monetary panic, which had put some of
 t banks *hors de combat*, and jeopardised £8,000,000 or £10,000,000
 ty, they carried down £25,000 net profit, besides setting aside
 or losses, which he believed was more than sufficient. Of the
 which had been reserved to meet the losses at Rio, he had reason
 hat a large sum would be recouped, and that they would have a
 n this account in their favour next half-year. He could not say
 uld be no loss in the current half-year, for it was impossible for
 y like theirs to avoid occasional bad debts. They had had a loss
 of £7,000 or £8,000, consequent upon a forgery, but which, as
 y party was tracked, and by the aid of the French and Brazilian
 at Lisbon apprehended at Paris with some £11,000 of property
 a, would be probably reduced by about half. This was a loss
 hich every precaution was taken. A bill was presented to the
 before it was discounted the manager sent to the acceptor to
 if he had accepted such a bill. The reply was that he had, and

the bill was discounted, but it turned out that the one that had been accepted, but a copy of it was fraud. They would probably lose £2,000 or £3,000 securities on cotton and sugar, and in other branches perhaps some trifling losses. Still there was no slightest apprehension, and it must be a source of relief in a period of such difficulty their losses had been past six months the business of the bank had increased which was the amount for the six months ending July being an increase of £1,800,000 in six months. although they only paid $7\frac{1}{2}$ per cent. dividend, the amount there being no losses, would have amounted to £38, the dividend they carried over £8,500, besides providing and doubtful debts; and as he believed the £8,500 any losses that might accrue during the current half to have the entire of the profits made up to the amount amongst the shareholders beyond the reserve when the company were wound-up.

A Shareholder complained that information had been given of the intended amalgamation before it was made public to the shareholders, and the consequence had been great speculation which had been run up to 10 premium from 4, afterwards fell to 5 premium.

The Chairman assured the meeting that no information had been given from any director or any other officer of the bank. He had been so careful in the matter that until the meeting was summoned to decide upon the proposal it had not come to any one of his colleagues, the whole of the matter having been carried on between himself and the directors. A resolution approving of the amalgamation was carried on that day that the mail went out, but the baron stipulated that the matter should not be made public until the mail packet by which the baron's communication to his colleagues had sailed for Lisbon, and the directors were advised that the packet had sailed, they communicated the matter to the shareholders. The proposal had not come directly to him in the first instance. He had first heard that something might be possible from a gentleman in Lisbon. It might perhaps, therefore have been talked about, but the baron would not have whatever for saying that any of the directors or officers had allowed information improperly to go forth, could not be held accountable for the fluctuation in the value of the shares, posing that it arose from the prospect of the amalgamation. He considered that as directors they were in any way responsible for the fall of the shares in the market, whatever it might be. He said that the recent fall in the price of their shares was due to the losses sustained at Rio Grande, or some other place. He was happy to say that he and his colleagues were not responsible for the fall.

A Shareholder bore testimony to the uniform good conduct of the bank and intimated his opinion that the sudden rise of the shares subsequent upon the supposition that the amalgamation was about to take place was due to the fact that the reserve set aside to meet had been exhausted. (Hear.)

A vote of thanks to the chairman and the other directors was carried.

MERCANTILE BANK OF INDIA, LONDON, AND CHINA.

Annual general meeting of proprietors was held at the bank headneedle-street, on the 16th May; Mr. George G. Nicol

report and balance-sheet were taken as read:—

Members have the pleasure of presenting to the shareholders the balance-sheet and profit and loss account of the bank for the year ending 31st December last.

Provision for all bad and doubtful debts, and defraying management at all points, the net profit amounts to £75,831. 11s. 2d., to which has to be added a sum of £75,831. 11s. 2d. brought forward from the preceding year, making a total of £151,662. 22s. 4d.

Of the above total £136,153. 5s. has been paid in two half-yearly instalments together 20 per cent. on the paid-up capital of the appropriated balance of £65,760. 7s. 3d. is carried forward to the profit and loss account of the current year.

Dividend of £12. 10s. per share, due 2nd January last, upon shares issued 1st December, 1863, has been paid.

The Calcutta, and Tuticorin agencies have been closed, the results of the year's operations, and for a similar reason the Mauritius branch has been discontinued at the end of the current year.

Mr. J. G. Palmer retiring from the board in rotation is Sir Frederick James Palmer, who, being eligible, offers himself for re-election, and the directors recommend him accordingly.

Mr. J. G. Palmer Robinson and Mr. Thomas Stenhouse having resigned, the directors in the direction of the bank, the shareholders will have to elect two new directors.

Mr. Murray Robertson, one of the auditors, and Mr. Ellis of the firm of Messrs. Ashton and Co., London, offer themselves as candidates for the vacant seats, and the court have much pleasure in commending them to the shareholders for election. An annual meeting will be held for the purpose.

The directors commend an increased allowance being made to the chairmen of the bank in terms of clause 113 of the deed of settlement will be made accordingly.

The shareholders will have to appoint auditors for the current year. Mr. J. G. Mackenzie, late of the firm of Messrs. Dent and Co., has consented to act, the directors recommend him to you for election in conjunction with the present auditor Mr. J. Smith, Mr. J. G. Robertson retiring, in consequence of his being a candidate for election in the direction."

Balance for the Year ended 31st December, 1864.

LIABILITIES.

Original shares	...	...	...	...	£500,000	0	0
New shares in course of payment	...	...	...	...	227,900	0	0
Deposits	...	...	...	...	3,304,619	2	5
Shares in circulation, and other sums due to the	...	...	...	...	5,797,545	13	6

Reserve fund
 Profit and loss account—Balance for year ended 31st December 1864, after deduction of charges, income-tax for year to and bad and doubtful debts, £201,913. 12s. 3d.; less dividend paid for half-year ended 30th June, 1864, £63,489

ASSETS.

Cr.

Coin and bullion
 Cash with bankers and money at call
 Government securities
 Reserve fund investment account
 Landed and house property at head office and branches
 Bills receivable, loans and other debts due to the corporation

PROFIT AND LOSS ACCOUNT.

Dividend for half-year ended 30th June, 1864 ...
 Do. do. 31st December, 1864 ...
 Balance carried forward

Balance of undivided profit from 31st December, 1863
 Net profit for the year ended 31st December, 1864 ...

1865, January 1. By balance brought forward ...

RESERVE FUND.

Balance
 Balance on 31st December, 1863
 Balance of premium of £10 per share on new shares, received since 31st December, 1863

1865, January 1. By balance brought forward ...

The Chairman said that, as compared with the year 1864, there was a total increase in the liabilities of £3,000,000, presented by the additional capital created, and the reserve fund. In the current account and fixed capital, there was an increase of £700,000, which he thought was a satisfactory progress of the bank. The bills payable stood near as last year. On the other side of the account there was an increase in cash at bankers', and money at call, an increase of £1,000,000 sterling. He was sorry not to have a more satisfactory

The Chairman was not in a position to say positively whether the dividend was going on satisfactorily, and he had no doubt that it would be paid in July. His motion of the report, which was seconded by a proposition, was carried unanimously.

Sir F. Halliday, who retired by rotation, was re-elected. Mr. Mackenzie was elected auditor.

A resolution was then proposed and carried, fixing the salary of the chairman at £1,000 a year from the 1st of January.

A vote of thanks to the chairman and his colleagues was carried.

At the adjourned meeting of this bank, held on the 17th inst., James Murray Robertson and Mr. Ellis James Gilchrist, two of the elected directors in the room of Mr. G. P. Robinson, resigned.

The Chairman availed himself of the opportunity afforded by the adjournment of the meeting, that the failure of Messrs. Lindsay and Co., which intelligence had that morning been received, would result in a very trifling loss to the bank, owing to the precautionary warnings and orders sent to Bombay some time ago. The greatest caution was observed there and at other branches. The failure of Messrs. Lindsay and Co., in China, would not affect the bank, would the bank be sufficient to meet the claims of Ritchie and Co., Ceylon, would the bank be sufficient to meet the claims of they affected by any failures which had taken place in the colonies. Hamilton and Co. The chairman further intimated that the action of the board to prevent hereafter a re-transference of the London to the Bombay register, it having been found that this facility, which was one not sanctioned by the directors, had opened a door to abuses, and led to speculative operations in the value of shares which the board was determined to prevent as far as they could.

BANK OF QUEENSLAND

On Wednesday, the 17th inst., the third ordinary meeting of the shareholders in this bank was held at the offices, 26, Market Street, Brockett in the chair,

The Secretary (Mr. Muir) read the notice convening the directors' report, viz. :—

“The directors now submit their third report to the shareholders, accompanied by the accounts duly audited, showing the operations of the bank for half-year to 31st December, 1864. The undivided profit on that date amounts to £6,999. 1s. 6d. The directors propose to appropriate as follows :—£500 for the reserve fund; £509. 16s. 8d., or 10 per cent. of the balance of the preliminary expenses; £5,008. 16s. in payment of a dividend free of income-tax, on the shares issued, which, at the rate of 10 per share paid for half-year to 30th June last, will amount for the year 1864 of about 6½ per cent.; £125. 4s. 5d. for the tax on the dividend; and the balance of £855. 1s. 6d. forward to profit and loss new account. It was resolved that arrangements were in progress for opening a branch in Business was commenced there on 1st September 1864. The already made has fully realised the expectations

Rookhampton on 15th December last. This is a place of importance, being the present outlet for the trade of a large squattling district; and the directors purchased the branch until they were in a position, with larger means, to avail of the business offering. Since 31st December 1863, a branch has also been opened at Toowoomba, a rich pastoral district of the Darling Downs. The establishment of these branches was necessary for satisfactorily carrying on inland business emanating from the chief branch at Brisbane, which has been established at moderate cost, which has been a large addition to the bank's earnings for the half-year. The directors have obtained a satisfactory and profitable result to the bank from the operations of the year. The colony continues to progress, and trade, in 1864, was active. The imports and exports for 1864, compared with the previous year, show a large increase, the values being, for imports, £1,247,054, and increase of 32 and 40 per cent. of the exports, £1,037,663 consisted of wool, and gold-dust. In conformity with the articles of association, the directors go out of office at the meeting, viz.,—Edward Gillespie, Esq., John Alers Hankey, jun., Esq., who were re-elected. In pursuance of the articles of association, the directors decided at the late special meeting, two auditors will be appointed at the meeting in room of Mr. David Allardice and Mr. Churchill, who retire from office. As the latter has declined to be again offering himself for re-election, the directors have appointed the shareholders as auditors for the present year, and Mr. Charles F. Kemp, the latter of the firm of Messrs. Ford & Co., public accountants. In conclusion, the directors are sure in reporting that during the half-year the circulation of deposits has increased 89 and 55 per cent. respectively, and during the same period the number of current accounts has increased 10 per cent."

Liabilities and Assets on 31st. December, 1864.

LIABILITIES.

...	...	...	...	...	£166,885	0	0
...	...	...	...	...	14,163	0	0
...	...	...	...	...	67,592	14	8
Liabilities...	...	...	...	...	96,359	3	0
...	...	...	...	...	1,000	0	9
December, 1864	...	...	...	...	6,999	1	10
					£352,999	0	3

ASSETS.

...	...	...	...	...	£24,548	7	5
...	...	...	...	...	320,479	19	0
...
...
...	...	...	...	...	5,098	7	0
...	...	...	...	...	2,872	6	10
					£352,999	0	3

*Profit and Loss Account, 31st Decem**Dr.*

Current charges, including salaries, rent, taxes, station				
at head office, £1,182. 18s. 9d.; ditto at branches,				
all preliminary expenses and first charges at				
branches, Dalby and Rockhampton, and cost of se				
officers from London, £3,960. 11s. 1d. ...				
Directors' and auditors' remuneration ...				
Dividend (free of income tax) on 8,348 shares at 12s. p				
£5,008. 16s.; income tax on dividend, £125. 4s.				
Amount written off preliminary expenses ...				
Amount added to reserve fund ...				
Balance carried to profit and loss new account ...				

Cr.

Balance from last account ...				
Gross profits to 31st December, 1864, after paying in				
deposits ...				

The Chairman, in moving the adoption of the report, regret that, from unforeseen circumstances, they were unable to receive the valuable services of their chairman, and it was his regret that he had been requested to take upon himself the duty of presiding at this important meeting. He most warmly thanked the kind indulgence and support whilst he endeavoured to perform the duty which he had so suddenly and so unexpectedly been called upon to perform. The report, the adoption of which he was about to move, was a long and full one, and it was his hope that they would find it of great value in their possession, and no doubt they had a right to expect that it would therefore be unnecessary for him to go through it in detail. By it they would see that the accounts were in a more detailed form than had hitherto been done, to enable them to understand the different items of credit and expense. He now kindly refer to the balance-sheet they would find in the report. The profits for the past half-year amounted to £6,999. 16s. 8d. It was proposed to pay a dividend of 12s. per share, from the profits, amounting to £5,008. 16s., to pay the income-tax on the same at 10s. in the £100, off £509. 16s. 8d. from preliminary expenses, to pay the same to the reserve fund, and to carry forward a balance of £855. 4s. to the new account. Now, probably, some of them would object to the directors had not decided upon paying a larger dividend. He would admit that the profits of the half-year would have been increased by doing so to some extent, but to have enabled them to do so they should have had to open a new account in the year, to cover the charges incurred in establishing branches at Dalby and Rockhampton, as well as in maintaining out a staff of officers from this country, such charges would have been reduced by writing off annually 20 or 30 per cent. of the preliminary expense account at this office. He would admit that in adopting the other course they were acting with a sound and wise discretion—that is, in giving a dividend, and in paying off and utterly extinguishing the

and thus freeing the new branches from an annual more or less have tended to diminish their future there could be no doubt that these branches would bank, not only from the new business which they the facilities which they would offer for increasing bank's notes. They would be glad to know that commerce of the colony had increased considerably the imports and exports reaching in value no less £1,247,054 respectively, whilst among the latter of export—namely, gold, amounting to £83,292. y it might be to them to hear of the advancing y during the past year, it would not, he was sure, hem to learn that during that period the Bank of ood still. Even within the last half-year the cur- eased upwards of 80 per cent., whilst the increase in eposits was still more remarkable. On the 31st circulation amounted to £3,394; on the 30th June d on 31st December last it reached £14,163. The ember, 1863, were £21,116; on 30th June last, December last they amounted to £67,592. These ke for themselves, and from which he thought they ng to the conclusion that the bank was expanding tance, and assuming, slowly it may be, but gradually which would, in due time, place it in the front rank rishing establishments which had sprung up in the He would not trespass longer on their time, but would y questions they might wish to ask him respecting any. He could assure them it was the earnest wish s and himself that every proper information should olders, and that mutual confidence and good feeling between them, without which it would be impossible nising undertaking ever to succeed. (Cheers.) ded the motion, which was unanimously adopted. rs, Edward Gellatly, Esq., John Gillespie, Esq., and un., Esq., were re-elected. e and Mr. Charles F. Kemp, of the firm of Messrs. and Co., were elected auditors for the present year, of Mr. Churchill, resigned. The remuneration of l at £40 each. on moved a vote of thanks to the chairman and carried unanimously. en terminated.

PROVINCIAL BANK OF IRELAND.

General meeting of the proprietors of this bank was y, at their house, 42, Old Broad-street; Sir Minto y, occupied the chair. Christie, read the notice convening the meeting. er, Esq., Sir Minto Townshend Farquhar, Bart., Esq., and Sir Moses Montefiore, Bart., the retiring ously re-elected. t was then read by the secretary:— g the fortieth since the formation of the bank, the

directors take occasion to express to the proprietors which they contemplate the success which has attended during that long period, while at the same time the advantages arising from the introduction and development of a system of banking in that country. The season was good for the early grain crops, and wheat and barley were of good quality. The later crops, however, suffered from the drought which prevailed during the summer, and the oat crop was a deficient one. From the same cause green crops were deficient; but fortunately the potato crop was of a good quality. Flax was also a heavy crop, and was considerably larger in extent than heretofore. The flax crop and the dry season being unfavourable for steeping, the crops were not in proportion to its bulk; but notwithstanding a rather low range of prices, the flax crop was remunerative to the farmer. The directors regret the pecuniary condition of the small farmers in Ireland, who, notwithstanding the improvement in their principal crop, oats, has been a deficient one, while the prices of grain have been low. This, of course, prolongs the depression which has prevailed in the retail trade of the country. On the part of the larger landholders have continued to derive substantial benefit from the high price of cattle and sheep. Wool also rose in price during last summer, but has since considerably fallen. The linen trade, which forms the staple of the Northern trade, has continued prosperous. The manufacture and export of linen has increased during the past year, and prices were steady. The prospect of peace in America has latterly brought about a rise of prices, but no commercial difficulties have arisen. The value of money has undergone numerous fluctuations during the year, the average rate of interest being 5 per cent. The directors have to express their regret at the loss of the services of Mr. Robert Murray, the late chief officer of the bank, who on the 26th February last, after a very short illness, died. He had been in the service of the bank from its establishment, and had been to within a few months of forty years. He was a man of great business experience, of acknowledged ability, and of great energy in the discharge of his various and responsible duties. The directors appointed their late secretary, Mr. Thomas Hewat, to be chief officer and superintendent of branches. Mr. James Christie, for many years the principal assistant in the bank, and now in London, has succeeded Mr. Hewat as secretary. The minutes of the meeting is now requested to the following statement:

The account submitted to the yearly general meeting in 1864, showed the amount of rest, or undivided profits, as at the 26th March, 1864, to be

Out of which there has been paid to the proprietors the amount of two ordinary and extraordinary dividends as follows:

At Midsummer, 1864—Ordinary dividend of 4 per cent., £21,000; extraordinary dividend of 6 per cent., £23,000; together, £44,000. At Christmas, 1864—Ordinary dividend of 4 per cent., £21,600; extraordinary dividend of 6 per cent., £23,400, together £45,000

Leaving a balance of

111,695 12 2

£256,563 7 8

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£4,500,000 distributed in payment of this one produce is unquestionably a matter pregnant with cannot remain much longer unconscious of the r prices rule low the flax crop will often be found that they could select." This is most important Ireland is concerned, for when the American war b London feared that the linen trade would suffer, b case. It has been said that the small farmers have great depression that occurred during the four year harvests were not so good as we could have wis hope from the prospects of this year that an i place in their condition. It is of consequer should prosper; for if they suffer there must be traders. I find from the poor law reports that the paying poor rates has increased between 1855 and remember that it was in these years there were t I mentioned. The valuation in 1865 was £12,623,0 in 1855. We have reason to feel convinced th position in Ireland of credit and trust which it has we are supported throughout Ireland, and all repo continues to flourish and prosper as a commercial We have forty-four branches in Ireland, and th much attention and supervision. The bank is, as v very sound position. We have three inspectors an tor who visit the branches, and see that the man do their duty. We have to regret that we have l excellent officer Mr. Murray. For almost forty- our service; a man of greater determination to more honest integrity, a man more devoted to the have been. In expressing our regret at his death to pay this testimony to his memory. It is not a bank loses a man of this character that it another, in whom they have the most perfect co my friend on my right, has been in the bank thirty years he was inspector in Ireland; he then be bank in 1845, having succeeded Mr. Marshall to regret is, the loss we suffer by his being rer to Ireland, but we feel it our duty to send him to t he will be the chief superintendent in the place wh is being carried on, and where I am satisfied he wil admirably, as thoroughly, and as truthfully as he l have been fortunate also in being able to fill up appointing Mr. Christie as our secretary, who has this bank, and we are sure that Mr. Christie, havin under Mr. Hewat, will make it his business to emu and to fill the place as well as his predecessor has are not flattery; they are positive truth. I hav regret at the absence of Mr. Farrar. You know ho exertions, and I am sorry to state that during the unwell, and that is the only reason for his absence this is only the second time he has been absent fro for forty years. I now beg to move the adoption of

Mr. Bacon seconded the motion, and it was carried.

Mr. Sebag moved a vote of thanks to the chairman.

ner in which they had conducted the affairs of the
 will, M.A., seconded the motion, which was carried by
 acknowledged the compliment on behalf of himself and
 and the meeting terminated.

THE CREDIT MOBILIER COMPANY.

of this company has just been held at Paris; M.
 chair. That gentlemen read the report.

ges of the document assigns reasons for the reduc-
 After reminding the shareholders that the present
 n time of giving an account of the situation of the
 says:—

s not ceased to be satisfactory, although it has not
 as we could have wished; but, as you are aware,
 he past year circumstances have been anything but
 es of difficulties which have been experienced during
 mystery for anyone. The period of pause which our
 ergo is due to the influence of external circumstances
 either foresees or dominate. We allude in particular
 in which the money-market has been so long placed,
 high rate of interest marking the crisis from which we
 sued, and the effects of which still weigh heavily on
 mmerce. An elevated discount always produces grave
 ness, and those perturbations are more particularly
 those propriety depends, above all, on the ameliora-
 rded in the conditions of credit and in the abundance
 al. In such circumstances establishments of credit
 mselves fortunate if they possess, like us, resources
 be obliged to slacken the undertakings engaged in
 re favourable. But the high rate of interest has
 result to augment the charges falling on industrial
 arrests all business, and paralyses all spirit of enter-
 way that in moments of general cessation one of the
 prosperity is found to disappear. Lastly, and it is
 nce between our situation and that of the generality
 capitalists, as soon as the rate of interest rises, all
 l securities, movable or immovable, are struck with
 eciation. Those are facts which we enunciate, not
 u reprehension, but solely on account of the influence
 business. Fortunately, it is not on the income of a
 t to be appreciated the kind of services which an
 is can render; they can only be judged of from re-
 h a series of years, and those results are shown of an
 5½ per cent. on the capital of our shares since our

We have thus explained how we have to suffer from
 at if we suffer from them more than others, on
 nance of our investments, and the loss which is neces-
 us by every depreciation in the value of our

assets—if we thus first receive our share of the country may experience, it must be admitted that we participate in a large proportion in the advantage produced by the return of prosperity. We are at present profit by such a return, for during the period of crisis we have passed we have not ceased to labour for the advancement of all our undertakings; we can congratulate ourselves on not having allowed the companies placed under our management to cease for a single moment, and on having, on the contrary, all the resources at our disposal, so that we have succeeded in an advantageous situation. The report then proceeds to the position of the most important of those undertakings, the Mexican loan, which it admits to have turned out being not only a depreciation of property on the part of the company but a loss to the company who brought it out, and a mission to which the company was entitled. The millions of francs turned out more fortunately, than the second portion of the loan reserved to the subscribers of the Ottoman Bank is described as prosperous, a dividend announced on the 250fr. paid up, or 15 per cent. As to the home debts of Turkey, and a concomitant loan of 100 millions of pounds in 5 per cents., the *Crédit Mobilier* had declined in it. The report also admits that the *Société de Commerce et d'Industrie* has turned out unfortunately, on account of the enormous purchases of property, and partly to the conduct of the director, who had taken to flight under the weight of the losses in speculations at the Bourse. On the other hand, the *Mobilier Italien* has passed through the crisis with credit, and realised a considerable profit. As to the railways, the *Mobilier*, the first, the Austrian group, was decidedly in a position to be pronounced in a favourable position; the second, the *Mobilier de France*, showed an improvement in receipts on the preceding year; third, the Northern of Spain, avowedly unfortunate, on account of representations to the Spanish government relative to the delay in the construction over the official estimates, and as to the receipts. The receipts on this line are represented as improving, and are expected to increase, particularly as the Spanish cabinet has decided to modify the duties on various articles which will be a considerable source of traffic between France and Spain. As to the *Crédit Mobilier*, they are declared to be entirely unsuccessful. The company has realised a net profit in the last year of 18 per cent. The gas company has been constituted, and the shares of the company for ten years by the Spanish *Crédit Mobilier*. The company of coal from the pits belonging to the Northern of Spain, no doubt could be entertained of the success of the company. The Paris Gas Company was regularly extending its consumption of gas, which in 1856 was 47,335,475 cubic feet, and had attained 109,610,000, necessitating a consumption of 3,000 tons of coal annually, or more than 1,000 tons each day. The dividend in 1856, to 105fr. at present, or 21 per cent. on the shares. The Transatlantic Maritime Company was improving rapidly, and for the past year, with a supply of vessels representing

ASSETS.					fr.	c.
...	...	...	...	...	50,545,603	34
...	...	...	...	...	24,730,792	46
...	...	...	...	...	54,851,993	87
...	...	...	...	...	2,649,973	42
bank, and dividends to receive				...	39,887,652	14

LIABILITIES.					
...	...	...	...	...	60,000,000 00
s creditors, and bills to be paid	...	...	...	...	102,240,594 70
...	...	...	...	...	57,212 97
...	...	...	...	...	2,000,000 00
profit and loss, including the balance	...	...	...	...	7,868,207 56
r	...	...	...	...
...	...	...	...	...	<u>172,166,015 23</u>

ed unanimously of the accounts; voted the divi-
ear 1864; and re-elected the out-going directors,
Charles Mallet, and Grieningcr.

General meeting of the proprietors of this bank was
at the London Tavern, T. M. Mitchell, Esq., in the
ing to confirm the resolutions of the extraordinary
on the 12th day of April.

directors be authorized to apply to her Majesty's
al of the restriction in clause 84 of the deed of settle-

ment, by which the shareholders are limited to the of the outgoing directors.

"That the court of directors be authorised to fill vacancies in their number, subject to confirmation the next ensuing ordinary or half-yearly general meeting."

"That for the purpose of effecting the proposed directors be authorised to apply for and accept a suit to adopt a supplemental deed of settlement, or, her Majesty's Treasury, to take such other steps

SOUTH AFRICAN MORTGAGE AND INVESTMENT COMPANY, LIMITED.

THE report of the directors of the South African Mortgage Company, Limited, issued preparatory to meeting on the 30th May, states that the results of the colonies of the Cape of Good Hope and Natal for the year now received, and the accounts duly audited, the directors have the opportunity of submitting to the shareholders the annual and loss account for the year ended 31st December 1864. It will seem that, after deducting rebate of interest (4 per cent.) on the net profits, including premium of £1 per £100, amounted to £12,302. The directors recommended that be applied as follows:—To dividend already paid for the year of June, 1864, £2,219. 9s.; to additional dividend for the year at the rate of 6 per cent. per annum on the respective former amount paid, at the rate of 7 per cent. per annum, £2,182. 14s. 8d.; to reserve fund, £6,500; to necessary expenses and furniture account, £180; to new investment of income-tax and remuneration of directors, £1,220. 13s. 2d.; making a total of £12,302. 16s. 2d.

BANK OF VICTORIA.

THE half-yearly meeting of the proprietors of the Bank of Victoria, held at the head office, Collins Street, Melbourne, on the 29th May, Hon. H. Miller, M.L.C., chairman of the board of directors, reported that the net profits for the half-year ended 30th March last, after providing for bad and doubtful debts, and there was a balance of undivided profits on the 30th March, 1864, of £7,200. 5s., making the total profits available for dividend £14,400. 5s. The directors recommended that a dividend of two pence should be declared, being of opinion that this increase of profits by the profits made during the half-year. The dividend absorbed by the proposed dividend was £31,250; and it was recommended that £5,000 should be carried to the credit account; leaving a balance of £8,154. 2s. 10d. of undivided profits. The reserve fund, it appeared, was £100,000. This was adopted on the motion of Dr. Farrage, seconded by Mr. M.L.C.; and thanks were accorded to the directors for their services during the half-year. This concluded the business of the meeting.

THE IMPERIAL OTTOMAN LOAN.

prospectus of the Imperial Ottoman Five per Cent. Loan, of 17-29, 18-30, and 19-31 March, 1865, was circulated in May. It will be perceived it states clearly and concisely how the operation is to take place. The amount is not less than the subscriptions are opened throughout the money markets there is every reason to anticipate that it will be readily taken up on a Five per Cent. Stock on such a basis, with a 1 per Cent. sinking fund, will give it currency in England, France, and

The capital is 4,000,000 medjidies d'or, or £3,636,363 sterling, or £100 sterling, equal to 110 gold medjidies, equal to 50 sterling equal to 55 gold medjidies, equal to 1,250 francs; equal to 11 gold medjidies, equal to 250 francs, with interest 5 per annum, payable half-yearly, on 1-13 July, and 1-13 January in London, francs in Paris, Frankfort, and Amsterdam, or in Constantinople. Redeemable in 37 years by 1 per Cent. and applied in purchase. The first law creates a 'Grand Livre Generale de l'Empire Ottoman' guaranteed by the revenues of the empire. The second law authorises the inscription of a 'Grand Livre' of 40,000,000 medjidies d'or, to be applied as follows:—the conversion of the existing internal debts, 29,000,000; the loan, 4,000,000; reserve, specially destined for public works, 7,000,000; issued sooner than 2,000,000, one year after the present date; at the soonest after two years; and 2,000,000 at soonest after three years—7,000,000; 40,000,000 or £36,363,363. The laws providing for the inscription of debt is to take place unless by a special law, and after provision has been previously made for the sinking fund of any such new inscription by sufficient increase of revenue or reduction of expenditure.

The debt inscribed in the 'Grand Livre' is guaranteed by the revenues of the empire actually free; and as previously charged, as they become disposable by the liquidation of the existing foreign debts, of which they constitute the principal. The third law provides for the conversion of the existing debts, the consolidés being converted at the rate of £110 for 100 New Five per Cent. Stock for each £100 Turkish, and the full particulars of which will be issued in a few days, when the necessary certificates of conformity will be issued. The price of issue for each bond of £100 sterling (estimated from 1-13 January, 1865), is payable as follows:—£5 on allotment, £10 on the 13th of June, £15 on the 13th of September, £10 on the 13th of December, £5 on the 13th of March, making £50. The coupon of 2½ per cent., due 13th of July, will be paid at the price of the bond to 47½, and subscribers will have the right to pay their instalments under discount at the rate of 5 per Cent. on any of the days fixed for the payment of the instalments, in default of due payment of the respective instalments, all subscribers will be liable to forfeiture.

The certificates in sterling money will be issued to the General Credit Company, for the portion of the loan subscribed in England, and by the foreign agencies for the amount subscribed abroad. The continental scrip certificates will not be uniform until after payment of the final instalment,

when they will be exchanged for definitive bonds according to law in Turkish, French, and English be effected at the contractor's office, Constantinople Finance Company of London (Limited), London; Banque de Credit et de Depot des Pays Bas, Amsterdam; of Austria, Vienna; Von Erlanger and Sons, Credit Genevois, Geneva. The subscription for the loan at—London: General Credit and Finance Company, 7, Lothbury. Constantinople: The Contractor's Office, Von Erlanger and Co. Amsterdam: Banque de Credit des Pays Bas. Frankfort: Von Erlanger and Sons."

TENDERS FOR BILLS ON INDIA

THE biddings for bills on India, which were offered of £300,000, took place on the 3rd of May at the only £44,500 was taken, being to Calcutta £12,000. The minimum price was, as before, on Calcutta 1s. 11d., and on Bombay 1s. 11½d. Tenders on Calcutta the minimum received in full; on Bombay all the minimum. Further biddings for 30,00,000 rs. in Calcutta on the 17th May. The proportions allotted were, to Calcutta 15,00,000 rs. and to Bombay, 5,50,000 rs. The minimum price on Calcutta and Madras, and 1s. 10¾d. on Bombay, Calcutta and Bombay at and above 1s. 10¾d. received tenders on Madras.

Rebels.

THE LOCK OUT.

Considerations on the recent Struggle between Capital and Labour.
North. By BENJAMIN HARDWICK, F.R.G.S.
Royal Exchange.

Mr. Hardwick has produced this pamphlet at a time when the late disastrous strike in the North has not yet reached a satisfactory termination, these papers will not be of much interest by every political economist, but they may be of interest by all classes—employers and employed—particularly in trades in which the iron rule of trades unions prevails. Mr. Hardwick calmly reviews the subjects which give rise to strikes, and particularly the question of supply and demand. He says—"There is a point below which wages cannot fall, amount upon which the labourer can, with decency, live. When wages fall to this point great distress takes place; marriages take place; by reason of the distress children die; and so the labouring class increases in numbers until the proper proportion between capital and labour is re-established. All these elements of distress are in operation the nearer the rate approaches the minimum of wages, so that except in very rare instances wages do not fall low an ebb, because, as they approach it, they induce an increase in population, which gradually restores the balance of labour." Mr. Hardwick having fairly contrasted

es as regards the employer, concludes by submitting
or the prevention of such unfortunate catastrophes
place. That a central emigration society shall be
l representing every class of labour. That every
ro rata subscribe to such society. That every case
sters and workmen shall be laid before this council,
nd that the depressed rate of wages approaches to
e "necessary" or "minimum" rate, that a grant
e society shall be made to assist such a number of
as shall restore the balance between capital and
ular trade, and so again raise the rate of wages.
feasible, there can be no doubt, but we think the
y likely to arise when the pinch comes, "who

Estates of Failed Firms.

F MESSRS. BUCHANAN, HAMILTON & Co.

g on the 26th April, in London, of the creditors of
amilton and Co., of Glasgow. This was the failure
urprise a few days previous owing to the position of the
tions abroad are Messrs. Jarvie, Thorburn and Co.,
Messrs. Hamilton, Gray and Co., of Singapore. The
as submitted by Mr. William Anderson, accountant,
debts and liabilities, £752,588, and assets, £632,068.
s is the surplus of £17,000 from the separate estates
Royal Bank of Scotland are creditors for £50,000,
red. At the conclusion of the proceedings Mr. William
urray, Son and Hutchins, and Mr. Fleming, of Glas-
requisite explanations respecting the estate, a resolu-
effect that the meeting be adjourned until Monday, the
two o'clock, to allow of accounts being received from
pore; meanwhile, the business is to be carried on
of Mr. George May, of Messrs. May, Matheson and
Michael Connol, of Glasgow, and Mr. Anderson, the
nderstood that the banks and the other creditors in the
e not to send their bills abroad or take proceedings
ement, and any payments made are to be with the
ctors. It appears to be imagined that if, by the 2nd
all be enabled to make a reasonable offer of composi-
rably entertained.

OF MESSRS. CHARLES JOYCE & CO.

editors of Messrs. Charles Joyce and Co., in the Alex-
suspended on the 8th of April, was held on the 16th
Tavern, when the annexed statement of their affairs
Messrs. Kemp, Cannan, Ford and Co., the accountants.

What is the difference between a bill payable at sight and a bill on demand?

Will the former, after circulation abroad, be liable to foreign stamp? As a bill payable at sight the usual three days of grace?

Yours respectfully,

CONSTANT READER.

Chester, May 23rd, 1865.

1. A bill payable at sight can seek three day's grace; a bill payable on demand must be met when presented.

2. It will require the *ad valorem* stamp.

3. A bill payable at sight has three days' grace.]

MONTHLY CHRONOLOGY.

1.—Suspension announced of Messrs. Marshall and Sons, spinners, of Manchester, with liabilities reaching to between £800,000 and £1,000,000. Meeting of the creditors, it was agreed to accept a composition of 10s. in the pound.

2. The directors of the Bank of England raised the rate of discount to 4½ per cent.

3. Stoppage announced of Messrs. Wollheim and Co., merchants, of London.

4. Suspension announced of Messrs. Thomson, How, and Co., of Sydney, stock and station agents, with £90,000 liabilities.

5. Suspension of Messrs. Byramjee Cama and Son, of London and Liverpool. Also Messrs. Byramjee Hormusjee Cama, of Bombay, merchants, with liabilities to the extent of £3,000,000.

6. Failures announced of Messrs. Lindsay and Co., merchants, of London.

7. Stoppage announced of Messrs. Wilson, Ritchie, and Co., of Ceylon, of Colombo.

8. The directors of the Bank of England reduced their rate of discount to 4½ to 4 per cent.

9. Suspension of Messrs. Rimington, Cartwright, and Co., of London, in the Indian trade, and agents for Messrs. Leckie and Co., of Bombay, with liabilities.

10. Stoppage of Mr. William Duthie, of London, engaged in the trade to the Cape of Good Hope.

11. Suspension of Messrs. Dirom, Davidson, and Co., of Liverpool, in the India trade, with liabilities to between £120,000 and £150,000.

12. Stoppage announced of Messrs. Braginton, Rimington, and Co., of London, bankers, of Torrington, Devon, with debts and liabilities of about £100,000. Also the suspension of Messrs. Cunliffe, Pigott, and Co., of London; and of Messrs. C. and H. M. Brazil, and Co., of Horwich, Lancashire, both manufacturers.

13. The rate of interest on Exchequer Bills reduced from 4 to 3 per cent.

14. Intelligence received from America of the capture of Mr. Jefferson Davis, late President of the Confederate States by the troops of the United States.

15. Stoppage of Messrs. Woodhouse, Kerrick, and Co., of Abchurch Lane, in the East Indian trade, with liabilities estimated at £160,000.

BANKING OBITUARY

On the 24th April, at Cefar-faes, near Rhayader, the magistrates for the county of Radnor, and late in the 73rd year of his age.

On the 29th April, at Clarence, Roshampton, W. Esq., of Threadneedle Street, banker, in his 64th year.

On the 8th May, at Eastbourne, Mr. William R. years manager of the branch Lewes Old Bank.

On the 7th May, at 349, Old Kent Road, Mr. H. of the Bank of England, aged 90.

MERCANTILE SUSPENSIONS

The suspensions announced during the month following :—

Messrs. Marshall and Sons, Stockport, spinners.
 Messrs. Wollheim and Co., Alexandria, merchants.
 Messrs. Thomson, How, and Co., Sydney, stock
 Messrs. Byramjee Cama & Son, London and L.
 Messrs. Byramjee Hormusjee Cama, Bombay,
 Messrs. Lindsay and Co., Shanghai, merchants.
 Messrs. Wilson, Ritchie, and Co., Ceylon, mer
 Messrs. Rimington, Cartwright, and Co., Lon
 Mr. William Duthie, London, Cape of Good
 Messrs. Dirom, Davidson, and Co., Liverpool,
 Messrs. Brazington, Rimington, and Co., Torr
 Messrs. Cunliffe, Pigott, and Co., near Blackbu
 Messrs. C. and H. M. Brazil and Co., Herwich
 turers.

Messrs. Woodhouse, Kerrick, and Co., London

BANK MOVEMENTS.

The following gentlemen have agreed to join the Financial Association, Limited :—Mr. Frederick Harnden and County Bank ; Mr. F. B. Henshaw, director of the firm of Burrows and Roberts, Corn Exchange.

Mr. William Haughton, chairman of the Great Southern and Western Railway Company of Ireland, and Mr. Henry Shaw, of Shaw, and Co., of Dublin, have joined the board of the Bank of Ireland.

At an extraordinary meeting of the proprietors of the Bank of Ireland, Mr. William Brown was elected a director, in the room of Mr. Henderson, Esq., deceased.

It is announced that Mr. Ernest Seyd has from his resignation his appointment as London manager of the British India Company, Limited.

Notes of the Month.

W. G. PRESCOTT.—It is with great regret we have to mention the death of Mr. W. G. Prescott, the head of Prescott, Grote, and Co. The deceased gentleman was and was deservedly respected throughout banking and commerce. It is stated that he had been in failing health for some months, and did not attend to business, in which he formerly took an active

THE LATE MR. WILLIAM GEORGE PRESCOTT.—The will, with the late Mr. William George Prescott, the banker, of Clarence, Grosvenor, and of Threadneedle Street, has been proved, and the testator has sworn under £205,000. The executors and trustees are the late Mr. Charles Cave and Mr. Joseph Grote, his brother-in-law, and Mr. Wolstenholme, barrister-at-law, and his cousin and partner, Mr. Prescott. The testator leaves his mansion, called Clarence, with its furniture, plate, linen, books, carriages, and horses, to his wife, Mrs. Prescott an immediate legacy of £5,000. To his son, the wife of Captain Richard Decie, of the Royal Engineers, a legacy of £5,000. He also leaves the following legacies; to his four executors £250, free of duty; to his cousin and partner, Mr. Prescott, £200, free of duty; to the said Captain Decie a legacy of £200. There are also legacies of £200 each, free of duty, to the testator; also to two sisters and to a brother-in-law. The annual income resulting from the sum of £35,000 to be paid to whom he gives a power of appointment over such £35,000 to his children, and in case of default of such appointment the testator's estate for them. Subject to all the foregoing bequests, the residue of the estate to Mrs. Prescott for her absolute use.

TRADE OF THE UNITED KINGDOM.

The trade returns for the month and three months ended the 29th April, and may be regarded on the whole, although there are no changes calling for any special notice, as a small declared value of exports for the month last past was £13,555,674 in 1864, and £10,217,473 in 1863, which is less than the former period of £214,480, and over the latter of £10,217,473. The three months of the present year the total was £36,667,381, and in 1863 £27,561,204, which is less than the former period of £1,031,674 as compared with 1864, but an increase of £1,031,674 as compared with 1863. The most important variations exhibited in the returns are, as respects exports, an increase in the value of beer and ale, coals and culm, cotton manufactures, earthenware and cutlery, linen manufactures, machinery and seed oil, cotton yarn, haberdashery and millinery, linen yarn, metal manufactures, woollen and worsted yarns, and woollen manufactures. As regards imports, an increase is shown in raw cotton, hides, tallow, wool, cocoa, coffee, spirits, sugar, and tobacco. And there has been a decline in flax, leather manufactures, raw silk, woollen manufactures, tea, and wine. With the exception of these, there has been an increase in the importation of barley

and Indian corn, but a large falling-off in wheat, and flour, and a slight decrease in beans. In the decrease is shown in butter, cheese, eggs, and lard, and hams, and salt beef and pork. The annual variations in the chief articles enumerated.

EXPORTS.

Coke and fuel	tons	
Cotton manufactures	yards	134
Cotton yarn	lbs.	6
Flower-starch and millinery	value £	
Linon manufactures	yards	20
Linon yarn	lbs.	3
Linen, &c.	tons	
Iron, railway	"	
Copper in wrought	cwts.	
Iron, sheets, nails, &c.	"	
Oil, seed	gallons	
Silk manufactures	value £	
Iron, &c.	lbs.	
Spirits, British	gallons	
Woolen cloths, &c.	yards	2
Woolen and worsted yarn	lbs.	2

IMPORTS.

Cocoa	lbs.	
Coffee	"	4
Wheat	qrs.	1
Wheat-meal and flour	cwts.	
Cotton, raw	"	
Flax	"	
Hemp	"	
Hides, tanned, &c.	lbs.	
Leather manufactures	pairs	1
Butter	cwts.	
Cheese	"	
Flax-seed and linseed	qrs.	
Silk, raw	lbs.	
Silk, thrown	"	
Silk manufactures	"	
Spirits	gallons	1
Sugar, unrefined	cwts.	
Tallow	"	
Tea	lbs.	19
Tobacco	"	4
Wine	gallons	1
Wool	lbs.	10
Woollen manufactures	value £	

Monetary Intelligence.

MAY REVIEW FOR THE MONTH OF MAY.

of financial and commercial affairs this month has not lagging. The tendency at one period in the money market and pressure, and the rate of discount was temporarily. Subsequently, a reaction took place in the demand, and there was a return to the old rate of 4 per cent., at which the official banks stand. It would not create surprise, the accumulation of bank being so rapid, if it should be necessary for the directors to lower the rate of discount in the course of the next week or so. The late failures in India, China, and Australia have created about millions of paper now having been cleared from the market must consequently be a diminished inquiry for general.

The few suspensions that have occurred at home have been due to the effects of what has ensued abroad, and it is highly probable that the discount will be increased in the course of a month. There is no reason to expect, in the Continent will, there is every reason to expect, before the end of June; the prospects of the harvest and the general producing a favourable feeling. The operation of Exchange have been surfeited with new companies, the in many cases, stand at a very heavy discount.

in Consols have been to the extent of about 1 per cent.; of the month there was considerable depression, chiefly due to the satisfactory nature of the news from America, and the fears regarding various houses connected with trade in the East. However, of money becoming cheaper, with an easier state of credit, subsequently produced a more favourable impression, and the price of Consols was the highest touched during the reduction in the rate of discount and the satisfactory bank returns, have undoubtedly had a beneficial effect on the market. There appears every prospect of a further improvement. The market have exhibited remarkable steadiness, and the official rate that for the next half-year the interest will be reduced 1 per cent., has not had at present any effect upon prices.

The chief operations have been in Spanish, Mexican, and other very uncertain state in which the foreign creditors of Spain are regarded with much anxiety; but, nevertheless, there are yet no indications that the present government of that country will even- with the creditors, hence the issue of their stocks continues to be maintained. Mexican has fluctuated rather more than any other in consequence of the threatening aspect of affairs with regard to the close a somewhat better feeling has prevailed. The market fluctuated but little in price, but on the whole the appearance of the Confederate Cotton Loan has for the last month been rising, and is now at the lowest point yet touched.

Prices have fluctuated in about the same ratio as the other market. All the variations have not been so great as during some of the months. The traffic receipts continuing to contrast favourably with the corresponding period of last year, has tended to add to the buoyancy of the market, which closes with firmness, and with a tendency to improvement.

For joint stock bank shares has shown less buoyancy than

for some time past, the dealings have lacked the long prevailed in this department, and in most declined. Credit and finance shares are also rather more steadiness.

THE GRAIN TRADE

THERE has been a rather more active business in grain trade than for some weeks past, and the price had an upward tendency. Other descriptions maintained firmer rates. The supplies, all sorts, and the importations of all kinds larger than for some time past, for which there is no doubt prices would have advanced. The latest official average quotations were Barley 29s. 9d. per qr., and Oats 22s. 9d. per qr.

The Gazette returns for England and Wales last week were as follows:

Week ending, 1865,	Wheat. Qrs. sold.	Weekly Average.
April 29	62,756 ...	39 5
May 6	84,806 ...	39 10
" 13	74,649 ...	40 11
" 20	88,015 ...	41 8

The importations since the harvest of 1864 have been as follows:

	Wheat. Cwts.
Forty weeks ended 22nd April	... 11,797,8
Four weeks ended 20th May	... 2,057,4
	13,855,3

And the weekly averages have been:—

Forty weeks ended 22nd April...	... 295,0
Four weeks ended 20th May ...	... 514,0

More 219,0

STATE OF TRADE

A FAIR extent of business is transacting in the districts; there is every appearance of trade maintaining its former level.

NOTICES TO CORRESPONDENTS

We have arranged in future to issue a double number in May and November. This has been rendered necessary by the Meetings of the Banks and Discount Companies, which are held in the pages of the *Bankers' Magazine*. We shall also give Credit and Finance Companies as they are more or less known, that our subscribers and readers can refer to them with confidence. We will please forward communications addressed to the Editors of the *Bankers' Magazine* to Messrs. Groombridge and Sons, Waterlow and Sons, Carpenters' Hall London Wall.

BANKING AND FINANCIAL ANECDOTES.—It will be perceived that the Editor of the *Bankers' Magazine* is collecting and arranging such Anecdotes. Any contributions from subscribers and others are thankfully received, particularly if the subject-matter shall be of interest to the public. Nothing personal or offensive will receive publicity.

The receipt of further anecdotes is gratefully acknowledged. Two or three communications still stand over.

BANK OF FRANCE.

DEBTOR.

	April 27.		May 4.		May 11.		May 18.		May 26.	
	F.	C.	F.	C.	F.	C.	F.	C.	F.	C.
Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
tion to										
8, Law										
(7)	7,043,446	40	7,043,799	16	7,043,331	81	7,043,371	81	7,043,371	81
Bank										
ches	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
ded pro-										
tion	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
order	808,818,275	0	812,077,975	0	817,660,875	0	807,978,225	0	803,246,375	0
payable										
	5,568,483	37	7,330,414	13	8,094,704	87	7,174,109	56	7,146,373	85
nt cur-										
	94,820,062	81	87,243,761	72	87,945,862	44	88,368,097	46	87,733,509	95
la, Paris	124,865,558	70	141,051,928	78	137,402,784	81	147,165,994	37	154,049,411	77
ts	26,229,117	0	31,319,804	0	30,810,900	0	31,248,113	0	29,440,990	0
ble	939,176	75	881,904	75	833,214	75	788,530	75	726,144	75
sundry										
	9,877,479	30	10,531,014	67	10,955,319	65	11,294,474	6	11,599,947	13
the last										
	2,789,444	5	2,789,444	5	2,789,444	5	2,789,444	5	2,789,444	5
	11,085,451	80	15,963,008	98	12,649,315	23	11,397,177	4	11,776,495	35
	1,300,672,255	12	1,324,538,625	38	1,325,291,982	74	1,323,833,787	21	1,324,180,213	80

CREDITOR.

	April 27.		May 4.		May 11.		May 18.		May 26.	
	F.	C.	F.	C.	F.	C.	F.	C.	F.	C.
nd cash	442,631,703	15	451,898,299	54	460,993,997	39	476,043,233	75	496,096,375	41
h banks										
ls over-	597,972	66	1,707,439	24	3,415,457	77	616,128	51	3,306,921	13
ills dis-										
yet due	256,563,077	6	296,419,110	21	260,587,488	87	239,181,626	36	231,423,064	23
ks	276,241,709	0	275,026,458	0	272,965,588	0	265,388,412	0	255,690,645	0
deposits										
	22,980,396	35	25,223,596	35	29,455,596	35	31,727,696	35	36,686,096	35
ks	3,792,295	0	4,969,095	0	6,066,795	0	7,036,786	0	8,296,086	0
a public										
	14,967,300	0	14,785,400	0	14,297,300	0	14,707,700	0	14,803,800	0
h banks	9,086,250	0	9,383,950	0	10,341,950	0	9,987,450	0	9,843,750	0
y shares										
res	29,533,200	0	30,022,300	0	30,231,500	0	30,011,500	0	29,982,300	0
h banks	18,186,250	0	18,496,450	0	18,701,150	0	18,936,750	0	19,062,850	0
Foncier										
	554,900	0	578,300	0	529,800	0	507,100	0	500,900	0
	353,900	0	377,300	0	377,700	0	383,900	0	406,800	0
e (Com-										
10, 1867)	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
lock re-										
	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14
	36,557,487	91	36,557,487	91	36,557,487	91	36,557,487	91	36,557,487	91
ublishes										
9, 1867)	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
of Bank,										
property										
	8,489,165	0	8,489,165	0	8,489,265	0	8,500,265	0	8,497,892	0
manage-										
	1,263,058	65	1,432,567	23	1,439,942	63	1,464,186	99	1,467,080	94
	6,213,340	20	6,528,759	78	8,290,413	68	9,497,814	23	8,565,624	70
	1,300,672,255	12	1,324,538,625	38	1,325,291,982	74	1,323,833,787	24	1,324,180,213	80

FLUCTUATIONS IN ENGLISH AND FOREIGN RAILWAY SHARES.

			Price in April 1904.	Highest
ENGLISH FUNDS.				
Consols	—	—	90½ to 91½	91½
Exchequer Bills	—	—	5 to 4pm	8 pm
FOREIGN BONDS.				
Spanish	—	—	100	100
Portuguese 4½ per cent.	—	—	92	92½
Italian	—	—	—	104
Italian 4½ per cent.	—	—	63	63½
Belgian	—	—	26½	26½
Belgian 4½ per cent.	—	—	—	82½
Russian	—	—	94½	94½
Swiss	—	—	48	48½
Swiss 4 per cent.	—	—	91½	91½
Paris 4 per cent.	—	—	100½	101
RAILWAY SHARES.				
English	—	—	107½	108½
Great Eastern	—	—	120½	123
Great Eastern	—	—	47	47½
Great Northern	—	—	121½	123
Great Western	—	—	74½	75
Lancashire and Yorkshire	—	—	121½	123
London and North Western	—	—	121½	123
Midland	—	—	123½	126½
North Staffordshire	—	—	79	79½
South Eastern	—	—	92½	96½
South Western	—	—	94½	99
York, Newcastle, and Berwick	—	—	110½	111
York and North Midland	—	—	103	103
East Indian	—	—	104	104½
Norfolk and Norwich	—	—	—	42

CREDIT, FINANCE AND DISCOUNT

	Share.	Par.	London and Paris.	
Australian Mortgage, Land and Building (Aust.)	35	3	3	Imperial M.
Colonial Bank (Aust.)	50	10	5	(Aust.)
Colonial Bank (Aust.)	100	5	per	International
Colonial Bank of Mauritius	30	10	64	Joint Stock B.
Colonial Bank and Mortgage	30	5	24	Land Credit
Colonial Bank (Aust.)	100	31	15	Land Credit
Colonial Bank (Aust.)	50	71	5	London Fin.
Colonial Bank (Aust.)	30	4	3	non (Aust.)
Colonial Bank (Aust.)	100	71	41	London Merc.
Colonial Bank (Aust.)	100	2	1	Mauritius L.
Colonial Bank (Aust.)	30	10	4	Agency L.
Colonial Bank (Aust.)	30	4	3	National Disc.
Colonial Bank (Aust.)	100	71	41	National Fin.
Colonial Bank (Aust.)	100	2	1	National Fin.
Colonial Bank (Aust.)	30	10	4	Oriental Fin.
Colonial Bank (Aust.)	30	4	3	Ottoman Fin.
Colonial Bank (Aust.)	30	4	3	non (Aust.)
Colonial Bank (Aust.)	30	4	3	Société Financ.
Colonial Bank (Aust.)	30	4	3	(Aust.)
Colonial Bank (Aust.)	30	4	3	South African
Colonial Bank (Aust.)	30	4	3	Investment
Colonial Bank (Aust.)	30	4	3	WAITING FIN.

JOINT-STOCK BANKS.

	Share. Paid. London				Share. Paid. London		
	£	£	latest Prices		£	£	latest Prices
Masterman's, ...	100	50	113	London Bank of Scotland (Lim.) ...	100	13	6
... ..	50	25	57	London and Brazilian Bank ...	100	40	44
... ..	50	10	6½	London, Birmingham & Sth. Staffordshire (Limited) ...	100	22	13
Bank of London ...	100	25	30½	London, Buenos Ayres and River Plate, Limited ...	100	40	48
pool, Limited ...	100	15	19½	Ditto, New, issued at 1½ p.m. ...	25	10	11½
issued at 20 p.m. ...	100	6	7	London Chartered of Australia ...	20	20	24
ian Bank ...	50	12½	12	London and County Bank ...	50	20	78
ian (Lim.) ...	50	15	10½	London, Hamburg, Cont. Exchange (Lim.) ...	100	18	1
u (Lim.) ...	20	2½	7½	London Joint Stock Bank ...	50	15	48½
ing Corporation, ...	40	40	69	London & South African Bk. ...	20	20	19½
es issued at £15 ...	40	40	68	London and South Western (Limited) ...	100	20	20½
hich £7. 10s. is ...	25	25	30½	Ditto, ditto, New ...	100	12½	12½
... ..	100	50	141½	London and Venezuela (Lim.) ...	50	12½	8½
... ..	20	7	4½	London & Westminster Bank ...	100	20	95½
... ..	100	25	21	Merchant Bank (Limited) ...	100	25	25½
... ..	50	7½	4½	Mercantile Exchange (Lim.) ...	50	10	7
... ..	10	10	17½	Metropolitan and Provincial Bank, Limited ...	100	20	17
... ..	50	25	43	Ditto, New ...	100	15	12
... ..	20	10	8½	Midland Bank (Limited) ...	100	20	19
... ..	50	50	46	National Bank ...	50	30	87
Bank of British ...	20	15	16	Ditto, New ...	50	25	91
... ..	20	20	23½	National of Liverpool (Lim.) ...	100	10	17
Bank of India ...	25	25	46½	National Provincial Bank of England ...	100	42	...
nd China ...	100	50	111	Ditto, New ...	20	12	...
mercantile Bank ...	100	25	42	Ditto, ditto ...	20	12	...
ndon & China..	20	20	...	New South Wales ...	20	20	43
... ..	25	25	31	New Zealand Bank Corpora- tion (Limited) ...	10	1	1
Bank of Canada ...	10	4	10½	Ditto, New ...	10	1	...
Bank of India ...	100	25	21½	North Western ...	20	7½	11½
... ..	100	15	12	Oriental Bank... ..	25	25	50
... ..	50	5	5½	Do, New, issued at 20 p.m. ...	25	25	...
... ..	20	5	4	Provincial Banking Corpo- ration ...	50	7½	4
Stock (Lim.) ...	25	10	6	Ditto, ditto ...	50	10	6½
... ..	20	20	20	Provincial Bank of Ireland... ..	100	25	89
... ..	50	15	11½	Ditto, New ...	10	10	...
... ..	50	15	12	Scinde, Punjab and Delhi (Limited) ...	20	10	6½
... ..	100	25	17½	Ditto, issued at 2 p.m. ...	20	2	...
... ..	100	25	15	South Australian ...	25	25	36½
... ..	100	15	9	Standard of British Africa (Limited) ...	100	25	19
... ..	100	20	29	Ditto ditto ...	100	25	23½
... ..	20	10	16½	Do, New, issued at 6 p.m. ...	100	10	5
... ..	25	25	27	Union Bank of Australia ...	25	25	54
... ..	25	5	5	Union Bank of Ireland, Lim. ...	100	22	19½
... ..	20	4	4½	Union Bank of London ...	50	15	52½
... ..	50	12½	8½				

Bank of England Weekly R

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the

ISSUE DEPARTMENT.

	1865. April 26.	1865. May 3.	1865. May 10.
Notes issued	28,560,445	28,560,015	28,560,015
Unrepaid debt	11,015,100	11,015,100	11,015,100
Unrepaid interest	3,634,900	3,634,900	3,634,900
Unrepaid principal	13,910,445	13,856,015	13,856,015
Unrepaid interest	28,560,445	28,560,015	28,560,015

BANKING DEPARTMENT.

	1865. April 26.	1865. May 3.	1865. May 10.
£	£	£	£
14,553,000	14,553,000	14,553,000	14,553,000
3,192,175	3,192,175	3,192,175	3,192,175
6,296,362	6,712,465	6,712,465	6,712,465
15,945,520	14,070,280	14,070,280	14,070,280
492,572	468,611	468,611	468,611
38,438,169	38,985,922	38,985,922	38,985,922
10,984,441	10,984,441	10,984,441	10,984,441
20,274,907	20,274,907	20,274,907	20,274,907
7,571,470	6,922,615	6,922,615	6,922,615
814,260	823,959	823,959	823,959
38,438,169	38,985,922	38,985,922	38,985,922

THE EXCHANGES.

	April 28	May 5	May 12
A. J. ...	11 17	11 17	11
A. J. ...	11 19	11 19	11
A. J. ...	11 19	11 19	11
A. J. ...	25 50	25 50	25
A. J. ...	25 50	25 50	25
A. J. ...	13 9	13 9	13
A. J. ...	25 2	25 2	25
A. J. ...	25 47	25 47	25
A. J. ...	25 43	25 50	25
A. J. ...	12	12	12
A. J. ...	11 12	11 12	11
A. J. ...	11 12	11 12	11
A. J. ...	31	31	31
A. J. ...	47	47	47
A. J. ...	47	47	47
A. J. ...	25 60	25 60	25
A. J. ...	25 60	25 60	25
A. J. ...	25 60	25 60	25
A. J. ...	25 60	25 60	25
A. J. ...	25 60	25 60	25
A. J. ...	25 60	25 60	25
A. J. ...	31	31	31
A. J. ...	31	31	31

PRICES OF BILLION.

	Per Oz.	Per Oz.	Per
Foreign Gold in Bars (Standard) ...	£ s. d. 3 17 9	4 s. d. 3 17 9	£ s. d. 3 17 9
Mexican Dollars ...	0 4 11½	0 4 11½	0 4
Monies in Bars (Standard) ...	0 5 6½	0 5 0½	0 5

Bankers' Weekly Circulation Returns.

uant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		April 8.	April 15.	April 22.	April 29.
	£	£	£	£	£
ord Bank	11,849	12,033	11,976	11,789	11,206
sbury Old Bank	48,461	23,459	23,603	23,458	23,210
ock and Biggleswade Bank ..	37,223	17,621	17,846	17,390	17,124
staple Bank	17,182	4,145	3,925	4,086	3,935
ord Bank.....	34,218	29,031	28,791	29,378	29,682
ster and Oxfordshire Bank ..	27,090	15,418	15,797	15,055	15,107
on Bank—Claypons and Co....	75,069	70,450	69,812	71,884	74,131
on Bank—Gee and Co.....	15,161	14,696	14,437	13,850	14,232
gewater Bank	10,028	6,708	7,230	7,748	7,632
ol Bank	48,277	21,828	21,368	21,002	20,326
eley and Bridgnorth Bank ..	26,717	15,100	14,816	14,952	14,668
ingham Bank.....	29,557	19,202	19,953	20,226	19,438
and Suffolk Bank.....	82,362	48,529	49,061	47,937	48,063
ury Bank	43,457	25,607	25,827	25,702	25,193
ury Old Bank	55,153	21,649	21,705	21,887	21,786
ordshire Leighton Buzzard Bk.	36,829	33,646	34,753	34,372	33,604
ingham Bk.—Lloyds & Co. ...	38,816	12,338	15,015	15,423	15,580
on Old Bank	68,271	40,864	40,575	39,329	38,647
ton Union Bank	33,794	22,284	22,384	21,362	19,414
ngton and Driffield Bank.....	12,745	12,204	12,462	12,227	11,992
St. Edmund's Bank.....	3,201	3,074	3,052	3,014	2,906
ridge Bk.—Mortlock & Co.	25,744	13,335	13,350	12,835	12,511
ridge and Cambridgeshire Bk.	49,916	39,904	40,130	40,900	40,572
erbury Bank	33,671	27,703	28,431	28,968	28,864
arthen Bank	23,597	12,705	12,646	12,674	12,552
tsey Bank	3,436	3,183	2,640	2,774	2,653
hester Bank.....	25,082	16,443	17,053	16,970	17,363
hester and Essex Bank	48,704	31,055	30,798	30,085	29,755
ish Bank—Tweedy & Co. ...	49,869	28,559	27,765	26,444	27,555
ntry Bank	12,045	4,016	3,966	3,923	4,178
Bank, Exeter.....	21,627	15,279	15,267	15,533	15,763
en Bank—Alcocks & Co. ...	77,154	77,670	76,515	75,131	75,895
stow Old Bank	9,387	7,319	7,155	7,286	8,329
y Bank—Messrs. Evans & Co.	13,332	10,323	10,294	10,782	11,575
y Bank—Smith and Co.	41,304	36,998	36,469	38,104	37,326
y Old Bank	27,237	27,595	28,783	27,440	24,134
zes and Wiltshire Bank	20,674	6,830	6,935	6,940	6,935
Bank	10,657	10,086	9,750	10,115	9,995
aster Bank and Retford Bank	77,400	65,654	66,571	66,477	67,903
ngton Bank	86,218	87,035	86,431	81,880	82,740
upport Bank	10,664	6,285	6,765	6,578	6,495
hester Old Bank	48,807	35,697	36,647	36,999	36,130
Cornwall Bk.—Robins & Co.	112,280	77,951	78,813	77,627	76,550
Riding Bank—Bower & Co.	53,392	50,720	50,672	52,837	53,308
x Bk. & Bishop's Stortford Bk.	69,637	40,050	40,211	39,350	38,878
er Bank	37,894	22,167	22,150	21,748	21,420
ham Bank	14,202	6,110	5,995	6,152	6,030
rsham Bank	6,681	5,521	5,834	5,795	5,580
alming Bank	6,322	5,571	6,045	5,891	5,618
lford Bank.....	14,524	10,846	11,345	10,780	10,576
atham Bank—Hardy and Co..	30,372	26,345	27,529	28,494	26,987
& Kingston-upon-Hull Bank	19,979	22,541	21,999	17,750	17,393
ngton Town & County Bank	56,591	33,673	33,925	33,358	33,283
rich Bank	5,778	5,945	5,793	5,695	5,189
ordshire, Hitchin Bank	38,764	33,842	35,718	36,317	35,247
rich Bank.....	21,901	20,161	19,659	19,624	18,944

NAME OF BANK.	Author- ized Issue.	April 8.
	£	£
57 Ipswich & Needham Market Bank	80,699	56,580
58 Kentish Bank—Mercer & Co. ...	19,895	14,020
59 Kington and Radnorshire Bank...	20,050	18,933
60 Knaresborough Old Bank	21,825	21,553
61 Kendal Bank	44,663	44,642
62 Longton Staffordshire Bank	5,624	5,050
63 Leeds Bank	53,357	53,218
64 Leeds Union Bank	37,459	35,736
65 Leicester Bank	32,322	23,694
66 Lewes Old Bank	44,836	27,553
67 Lincoln Bank	100,342	89,196
68 Llandovery Bank & Llandilo Bank	32,945	9,242
69 Loughborough Bank	7,359	6,399
70 Lymington Bank	5,038	3,468
71 Lynn Regis and Lincolnshire Bank	42,817	30,886
72 Lynn Regis and Norfolk Bank ...	13,917	11,228
73 Macclesfield Bank	15,760	11,963
74 Manningtree Bank	7,692	5,994
75 Merionethshire Bank	10,906	6,388
76 Miners' Bank	18,688	19,067
77 Monmouthshire Agricultural and Commercial Bank	29,335	28,312
78 Monmouth Old Bank	16,385	4,342
79 Newark Bank	28,788	21,294
80 Newark and Sleaford Bank	51,615	46,200
81 Newbury Bank	36,787	14,491
82 Newmarket Bank	23,098	16,247
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	46,683
84 Norwich and Norfolk Bank	105,519	81,239
85 Nottingham & Nottinghamsh. Bk.	10,866	8,379
86 Naval Bank, Plymouth	27,321	24,377
87 New Sarum Bk.—Pinckneys, Bros.	15,659	7,165
88 Nottingham Bank	31,047	23,150
89 Oswestry Bank	18,471	10,781
90 Oxford Old Bank	34,391	34,700
91 Old Bank, Tonbridge	13,183	9,840
92 Oxfordshire Witney Bank	11,852	8,200
93 Pease's Old Bank, Hull	48,807	45,401
94 Penzance Bank	11,405	9,029
95 Pembrokeshire Bank	12,910	8,858
96 Reading Bank—Simonds & Co....	37,519	26,586
97 Reading Bk.—Stephens, Blandy & Co.	43,271	28,770
98 Richmond Bank, Yorkshire	6,889	6,275
99 Rochdale Bank	5,590	1,417
100 Royston Bank	16,393	10,360
101 Rugby Bank	17,250	10,500
102 Rye Bank	29,864	12,247
103 Saffron Walden & North Essex Bk.	47,646	23,033
104 Salop Bank	22,338	9,828
105 Scarborough Old Bank	24,813	22,531
106 Shrewsbury Old Bank	43,191	29,711
107 Sittingbourne and Milton Bank .	4,789	3,105
108 Southampton Town & County Bk.	18,589	10,901
109 Southwell Bank	14,744	9,126
110 Southampton and Hampshire Bk.	6,770	2,120
111 Stafford Old Bank	14,166	11,561
112 Stamford and Rutland Bank	31,858	19,275
113 Shrewsbury and Welsh Pool Bank	25,336	23,629
114 Taunton Bank	29,799	20,441
115 Tavistock Bank	13,421	10,277

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		April 8.	April 15.	April 22.	April 20.
	£	£	£	£	£
Bury Bank	10,026	8,610	9,105	9,199	9,547
on and Devonshire Bank ...	13,470	9,976	9,747	9,998	10,900
Stone and Kettering Bank..	11,559	12,100	11,950	11,129	10,800
Bank and Chesham Bank..	13,531	12,157	12,405	12,517	13,090
ter Old Bank	10,801	6,533	6,728	6,484	6,430
Bank, Cornwall	17,003	15,683	15,158	14,514	13,589
ge Old Bank	25,136	8,374	8,419	8,700	8,690
ford Bank	17,064	5,754	6,650	5,856	5,779
k and Warwickshire Bank	30,504	18,322	18,991	18,679	17,988
ton Bank, Somerset	6,528	1,992	1,889	1,810	1,893
iding Bank	46,158	40,860	42,896	43,086	44,015
Old Bank	14,258	14,005	14,024	13,810	13,830
ster, Alresford & Alton Bk.	25,892	11,105	10,985	10,513	10,199
uth Old Bank	16,461	15,031	14,740	14,455	16,337
orth and Derbyshire Bk.	37,602	35,522	36,692	37,280	37,551
th and Lincolnshire Bank	59,713	37,514	38,896	38,666	39,550
combe Bank	7,602	3,302	3,169	3,865	3,586
ter Old Bank	87,448	48,786	50,045	48,913	48,608
ham. Bk.—R. & W. Fryer	11,867	6,256	6,350	6,695	7,025
th and Suffolk Bank	53,060	39,798	39,679	37,875	37,192
th, Norfolk, & Suffolk Bk.	13,229	8,856	8,739	8,838	8,316
ank	46,387	38,082	39,701	41,006	42,473

JOINT STOCK BANKS.

Westmorland	12,225	12,656	12,711	11,954	11,321
Banking Company	9,563	9,194	9,477	9,275	9,304
Banking Company	49,292	49,493	49,670	49,277	48,625
istrict Banking Company	9,418	7,936	8,769	8,691	7,828
hitehaven	32,681	29,865	30,480	30,990	31,547
Commercial Banking Co.	20,084	20,604	20,562	20,031	19,047
ttoxeter, and Staffordshire					
anking Co.	60,701	52,935	54,976	55,718	57,170
eld & N. Derbysh Bk. Co.	10,421	9,887	9,914	9,478	9,367
and Union Banking Co. ...	35,395	30,175	31,023	32,540	34,289
and Warwickshire Bk. Co.	28,734	14,632	14,783	14,243	14,470
Union Banking Company	16,251	12,284	12,418	12,690	12,456
f Gloucester Banking Co.	144,352	104,493	104,102	103,671	104,344
Cumberland Banking Co.	25,610	25,129	24,375	25,454	27,378
ity and District Bank	19,972	20,043	19,700	19,802	19,831
West Bromwich Bk. Co.	37,696	23,793	24,136	23,358	22,555
on Derbyshire Banking Co.	20,093	19,464	20,444	19,810	18,155
on Dist. Joint Stock Bk. Co.	26,134	24,012	25,465	27,214	26,294
shire Banking Company	155,920	136,626	138,301	138,660	139,953
Joint Stock Bank	18,534	15,640	15,591	15,365	15,894
field Banking Company	37,354	32,839	33,876	35,292	34,745
anking Company	29,333	29,554	31,178	29,661	25,679
Commercial Banking Co. ...	13,733	11,973	13,000	13,026	13,183
& Huddersfield Union Bk.	44,137	34,059	35,312	35,532	34,833
Banking Company	1,503	1,516	1,475	1,489	1,528
rough and Claro Bk. Co.	28,059	26,508	27,680	26,795	27,854
r Banking Company	64,311	60,335	62,707	62,766	65,820
shire Banking Company	86,060	60,367	64,306	67,664	69,718
and Lindsey Banking Co.	51,620	51,691	49,160	50,257	50,044
ton Priors and Warwick					
anking Co.	13,875	10,736	10,728	10,685	9,718
and Tenbury Bank	10,215	8,916	9,609	9,215	9,663
Robinson's Notts. Bank...	35,813	29,097	26,218	25,552	25,328
am and Notts. Banking Co.	29,477	28,326	27,211	28,138	28,929
Provincial Bk. of England	442,371	431,739	440,289	428,594	421,734
ills Banking Company ...	63,939	42,737	42,939	44,555	44,278

NAME OF BANK.	Author- ized Issuc.	Apr
	£	
35 Northamptonshire Union Bank ...	84,356	67,
36 Northamptonshire Banking Co. ...	26,401	20,
37 North and South Wales Bank	63,951	57,
38 Pare's Leicestershire Banking Co...	59,300	54,
39 Saddleworth Banking Company ...	8,122	
40 Sheffield Banking Company	35,843	35,
41 Stamford, Spalding & Boston Bk. Co.	55,721	54,
42 Stuckey's Banking Company	356,976	327,
43 Shropshire Banking Company	47,951	37,
44 Stourbridge and Kidderminster Bk.	56,830	48,
45 Sheffield and Hallamshire Bank ...	23,524	21,
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	54,
47 Swaledale and Wensleydale Bank..	54,372	50,
48 Wolverhampton & Staffordsh. Bk..	35,378	23,
49 Wakefield and Barnsley Union Bk.	14,604	14,
50 Whitehaven Joint Stock Bank ...	31,916	23,
51 Warwick and Leamington Bk. Co.	37,124	28,
52 West of Eng. & S. Wales District Bk	83,535	86,
53 Wilts & Dorset Banking Company	76,162	75,
54 West Riding Union Banking Co....	34,029	33,
55 Whitechurch and Ellesmere Bk. Co.	7,475	5,
56 Worcester City and County Bk. Co.	6,848	5,
57 York Union Banking Company ...	71,240	70,
58 York City and County Banking Co.	94,695	89,
59 Yorkshire Banking Company	122,532	121,

Irish and Scotch Circulation

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS, in the
weeks ending Saturday, the 29th day of

IRISH BANKS

NAME OF BANK.	Authorized Circulation.	Average Circulation £s and upwards.
	£	£
Bank of Ireland	3,738,428	1,562,550
Provincial Bank of Ireland	927,667	387,990
Belfast Bank	281,611	118,206
Northern Bank	243,440	99,435
Ulster Bank	311,079	166,586
The National Bank	852,269	601,850
TOTALS (Irish Banks) ...	6,354,494	2,936,617

SCOTCH BANKS

Bank of Scotland	300,485	167,774
Royal Bank of Scotland ...	216,451	186,482
British Linen Company	438,024	153,562
Commercial Bk. of Scotland	374,880	183,571
National Bank of Scotland..	297,024	160,596
Union Bank of Scotland ...	454,346	205,276
Aberdeen Town and Co. Bk.	70,133	55,766
North of Scotland Bk. Co...	154,319	105,826
Clydesdale Banking Co. ...	274,321	137,350
City of Glasgow Bank	72,921	123,055
Caledonian Banking Co. ...	53,434	23,772
Central Bank of Scotland...	42,933	22,658
TOTALS (Scotch Banks)...	2,749,271	1,525,688

WEEKLY RETURNS OF BANKS OF ISSUE.

Fixed Issues.	April 8.	April 15.	April 22.	April 29.
£4,189,091	£3,028,222	£3,057,951	£3,040,919	£3,035,021
3,226,357	2,888,148	2,917,961	2,837,159	2,890,371
7,415,448	5,916,370	5,975,922	5,928,078	5,925,392

These Banks for

... £3,040,531
 ... 2,895,910

rate

as

th the Returns

it, shows:—

rate

lock

... 130,705

... £286,162

And as compared with the month ending April 30th, 1864, it shows:—

A decrease in the notes of Private Banks, of ... £241,552

A decrease in the notes of Joint-Stock Banks, of ... 147,106

Total decrease, as compared with the same period of last year ... £398,658

The following is the comparative state of the circulation as regards the fixed issues:—

The Private Banks are below their fixed issues ... £1,148,560

The Joint-Stock Banks are below their fixed issues ... 330,147

Total below their fixed issues ... £1,479,007

IRISH & SCOTCH RETURNS TO APRIL 29, 1865.

the Irish and ending April the following as of these Banks

Banks £1,859,097

Banks 4,151,156

Banks

... £10,009,253

with the Returns

st, they show—

Banks £163,737

ch Banks 178,524

... £312,281

month ending

Banks £205,656

ch Banks 113,663

... £319,319

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue ... £6,354,494

12 Banks in Scotland, allowed to issue ... 2,749,271

18 Banks in all, allowed to issue ... £9,103,765

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are below their fixed issue £496,397

Scotch Banks are above their fixed issue 1,401,385

Total above the fixed issue ... £905,488

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks £2,123,898

Gold and Silver held by the Scotch Banks 2,318,168

Total of Gold and Silver Coin ... £4,442,066

Being an increase of £12,607 on the part of the Irish Banks, and a decrease of £95,515 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

THE UNITED KINGDOM TO APRIL 29, 1865.

of the Note Circulation of the United Kingdom for the month ending

with ending 29th April, as compared with the previous month:—

	April 1.	April 29.	Increase.	Decrease.
April 26)	£19,750,334	£21,051,570	1,301,236	—
.....	2,894,081	3,040,531	146,447	—
.....	2,756,205	2,895,910	139,705	—
.....	23,400,623	26,988,011	1,587,388	—
.....	3,972,632	4,151,156	178,524	—
.....	5,694,360	5,859,097	163,737	—
.....	£35,067,615	£36,997,261	£1,929,646	—

with ending April 30th, 1864, with the month ending April 29th, 1865, of England circulation of £37,767, a decrease in Private Banks of

Stock Banks of £147,106; being a total decrease in England of £120,425; increase of £113,663; and in Ireland an increase of £205,656. Thus

29th April, as compared with the same period last year, presents a

and a decrease of £107,106 in the United Kingdom.

the Bank of England, for the month ending April 26th, gives an

payments of £11,950,404. On a comparison of this with the Return for

here appears to be a decrease of £96,721; and an increase of £1,978,344

period last year.

the Banks in Scotland and Ireland during the month ending 29th

a decrease of £35,935 as compared with the Return of the previous

,357 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 26th April to 26th May, 1865, inclusive.

	26	27	28	29	1	2	3	4	5	6	8	9	10	11	12	13	15	16	17	19	20	22	23	24	25	26
Bank Stock, $\frac{1}{2}$ per cent. last half-year	242	240	240	242	240	240	240	242	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240	240
3 per Cent. Reduced Annuities	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
3 per Cent. Consols Annuities	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Ditto ditto for account May 9	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Ditto ditto ditto June 8	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
New 3 per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New $\frac{3}{4}$ per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New $\frac{1}{2}$ per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New 5 per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Annuities for 30 years ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto 30 years ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto (Red Sea Telegraph) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
India Stock, 104 per cent. April, 1874...	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217	217
Ditto 5 " " Oct., 1888...	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107	107
Ditto 4 " " Oct., 1888...	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102	102
Ditto Enfaced Paper, $\frac{1}{2}$ per cent.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto $\frac{5}{8}$ "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto $\frac{5}{8}$ "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto Loan Debentures, 1864	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto Bonds £1,000 (div. 5 per cent.)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto under £1,000 ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Exchequer Bills £1,000, 4 per cent.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto £500, "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto £100 & 200 "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

JULY, 1865.

WITHDRAWAL OF MR. GLADSTONE'S BANK OF ISSUE BILL.

We have to congratulate the banking interest on the withdrawal of Mr. Gladstone's Bill for regulating Banks of Issue. More than once we have had to expose the right honourable gentleman's errors and hallucinations, and to show that his ability as a financier is by no means equal to his eloquence as an orator. The modifications of our national burdens have been by no means permanent successes, and in remission and impositions alike has been shown his devotion to unsound theories, and his superiority to the lessons of practical wisdom. The measure which has now been defeated exhibited both these imperfections. In presenting it to the House, its author avowed his adherence to a questionable doctrine, and his readiness to commit a great injustice upon the banking fraternity. He claimed for bank notes a character which they do not possess, and he sought to deprive the bankers of a right which is as much an item of personal property, as the wines in Mr. Gladstone's cellar, or the place on Mr. Gladstone's side-board. Happily, his endeavours have been defeated. The House is not yet prepared to take the first step towards making the business of banking a Government monopoly, and as yet the old-fashioned maxim that the powers of the public are not to be exercised to the derogation of individual rights has not been set aside to gratify enthusiastic adherents of Sir Robert Peel's Currency Act.

Mr. Gladstone proposed to allow the private banks to retain their present powers of issuing notes for a limited period, at the end of which all rights of that character which they now enjoy were to cease and determine. This proposal rests on the principle that the State, and the State only, ought to issue paper money. This theory once admitted, it follows that if

any one else has been permitted to do so, the own option, resume its right, and deprive the power to issue notes without any compensation. The Chancellor of the Exchequer unreservedly premises and the conclusion. A private bank paper is, in his eyes, an anomaly only to be removed, and a few weeks ago both the hour and the man had arrived for the dawn of the millenium of the devotees of the to be accelerated by our present Minister. The rights of the private banks were to cease in which none but the State or its licencees were to issue money. The Act of 1844 provided for the withdrawal of this right by those who held it, and the prophecies of its authors which time has said that bankers would hasten to avail themselves of the provisions. But the banking mind in this country is eminently practical. The country bankers feared the loss of powers of issue which were so desired by and so valued in England were of no value to less power. Therefore they preferred to keep their notes in circulation. They were actually wrong-headed enough to believe that they could not withdraw them without seriously diminishing the value of the money. The sound and solid banks, whether private or public, on the even tenour of their way, regardless of the consequences, were causing to the authors of the new financial theories. Now and then a speculation failed, or a weak one died out, but the progress of the country by such means was far too slow to be satisfactory. The things were going on, centuries must elapse before the system of Issue had ceased to exist, and hence it was that Mr. Gladstone introduced his recently defeated measure.

A moment's consideration will suffice to show the fallacy on which that measure rested. The private bank is neither more nor less than a promise. A man takes unless he has confidence in the solvency of the persons or firms whose names are upon it. This is the basis of the system by some speakers during the debates on Mr. Gladstone's measure, and an attempt was made to prove that a bank note is as good as money as a sovereign, and that as we had progressed from issuing a metallic currency, the same principle applied to forbid any attempt, by private persons, to issue a paper currency. The cases, however, are not parallel. The stamp on a piece of gold is the voucher for its value (practically) for uniformity. A coin with

to contain a certain weight of metal, and to represent a particular sum. The standard of paper money rises or falls according as the receiver thinks it is probable or otherwise that he will get the nominal value of the instrument he takes when he presents it for payment. For first-class mercantile paper one can always get the full amount for which it is given, except only to a deduction for discount, varying with the present rate of interest, and the time the bill has to run. The reason why bank notes are taken without any deduction, however, is because they are payable on demand, and upon this, consequently, there is no rebate to be allowed. In aid of the circulation of the Bank of England, the power of Parliament has more than once been invoked. But private bankers get no such help. No one would take one of their notes unless he felt sure that it would be cashed at any moment he presented it at the bank counter. The bankers know this, and keep a stock of bullion proportioned to their own circulation.

The public know it, and their readiness to take the notes depends upon their belief in the ability of the bank to meet its engagements, in just the same way as a trader's readiness or reluctance to take a bill from a customer. In both cases the action is based on the confidence of the person who takes the instrument. In both, the person giving it gets an extension of his available means, and in both the receiver can give a better title to the property the instrument represents, than he himself possesses. Clearly, then, the attempt to distinguish between a bank note and a commercial bill fails, and as no one can maintain that it is beyond the scope of private dealing to issue or take a bill, the whole theory of State rights, for which Gladstone contends, fails also.

The practical part of the question may be very soon disposed of. An attempt was made to show an increased risk of forgery, arising from the multiplication of note-issuing establishments. The answer to this is, that in practice, forgeries are generally committed on the Bank of England, because the plates of the notes are invariably much more elaborate than that in use at the national establishment, and from the narrower area in which they circulate, it would never be worth a forger's while to attempt to imitate them. This very circumstance, it is well known, often makes it no easy matter for a stranger to change a Bank of England note in any district having local paper in circulation. It may be said that this is an inconvenience to the forger which the proposed Act would have remedied. We know the inconvenience is caused by losses experienced by the public, which the proposed Act would have multiplied.

And, as was forcibly remarked by a daimon on the proposal, to withdraw the private banks would be to diminish our power to the extent of four millions, at a time when it is rather to increase than curtail it. Furthermore, one of the soundest banking maxims, it would be to concentrate on one large establishment, rather than on many small ones; an evil which we have carried far enough. Had the Bill passed, it would have made the Bank of England a great monopoly; an instance of a project which has been published by the scheme of a free trade minister, and by a free trade Parliament.

We congratulate the English bankers for their opposition to this measure. Should any attempt to introduce it, it would be well to obtain the assistance of Scottish brethren, whose rights were spared, but who must not suppose that they will be spared if the English banks are sacrificed. It may be the duty of the Chancellor to take each interest in detail, but it is foolish of those who are indirectly menaced to wait until their own turn comes. Having vainly attempted to get the bankers to give up a lucrative branch of business, Gladstone withdrew his measure with the intention of bringing it again, with provisions yet more stringent than those contained in the lately slaughtered measure. That we are not greatly moved by these considerations is a measure which involves a substantial injury to a system which has stood long, and which is not so easy to change. We only hope that whenever the time comes the bankers will be prepared to renew their opposition with skill, spirit, and judgment as they showed in the Issue Bill was before the House in the session of 1844.

HISTORIC OUTLINES OF AMERICAN HISTORY

No. XVII.

GENERAL HARRISON delivered his inaugural address on the 4th of March, 1841, and died on the 4th of April, 1841. He had grown old in the military service, and had passed twenty years of his active life in war.

* *The Morning Herald*, June 1841.

1811 he had won the important battle of Tippecanoe against the Indians, and, in 1813, defeated the English General Proctor at the battle of the Thames, in Canada, where the famous Indian chief Tecumseh was slain. But Harrison was a man of antique ideas, and quite unfitted to rise to power by courting the smiles of the vulgar and capricious democracy. His brilliant and useful services were rewarded neither by honours nor wealth. When promoted of his rank as commander-in-chief in the western district, he received no higher grade than that of clerk of the Court of Common Pleas in Cincinnati, though he had been Governor of the territory of Indiana and a senator in the Congress of the United States. Gratitude to public men has not been an American virtue. Mr. Gallatin had been a legislator twenty years, a member of the Cabinet, and an official negotiator in foreign courts, but he was too disinterested to make any provision for himself, and at the end of his laborious public career would have died in poverty had not his personal friends secured for him the appointment of president of one of the New York banks. Such was the distress of President Jefferson that he was compelled to ask the sanction of the Virginian legislature to sell his estates by auction; and yet it was Jefferson who proposed the declaration of American independence. President Monroe, even still poorer, after having expended his fortune in the service of his country, had to implore the consideration of Congress, though the united efforts of Jefferson and Monroe had acquired Louisiana and the Floridas for the United States. When these examples of public ingratitude are known, it is not surprising that General Harrison, with a numerous family to provide for, was compelled to accept the position and salary of a clerk in a court of law.

The new President had been elected by those who had become infected of the destructive principles adopted by Jackson and Burr. In reference to banking, he made these remarks in his inaugural:—"I am not insensible to the great difficulty which exists in devising a proper plan for the safe keeping and management of the public revenues, and I know the importance which has been attached by men of great abilities and patriotism to the divorce, as it is called, of the Treasury from banking institutions. It is not the divorce that is complained of, but the unlawful union of the Treasury with the Executive which has created such extensive alarm." He then observed, "It was mainly a great error in the framers of the constitution, not to have made the officer at the head of the Treasury department wholly independent of the Executive. He should at most have

been removable only upon the demand of the legislature. I have determined secretary without communicating all the circumstances such a removal to both Houses of Congress direct censure on General Jackson for having Secretary Duane. On the character of the Harrison thus expressed himself:—

“The idea of making it exclusively metallic intended, appears to me fraught with more than any other scheme, having no relation of the citizens, that has ever been devised. It could produce the effect of arresting at once the conditions by which thousands of our most industrious citizens, by their industry and enterprise, have acquired possession of wealth, that is one. If there is no more calculated than another to produce that state of depreciation decried by all true republicans, by which the rich are adding to their hoards and the poor suffering from penury, it is an exclusive metallic currency, the process of which the character of the country and the nobleness of feeling may be destroyed by the necessary toleration of usury, it is an exclusive currency.”

These humane sentiments, honourable to the heart of General Harrison, rendered his personal calamity. What plans he might have devised is vain to conjecture, though we may be sure he would have emancipated industry from the enslaving system. The chief, nay, the sole care of Jackson has been to realise a metallic revenue, they determined on a mode of receipt for the Government, and to issue it at the mint price of the coin, utterly independent of a mode of payment was easy or oppressive. It would furnish the taxes; and experience had proved that such means frustrated the desired end. The future of the public treasury must always depend on the honesty of individual treasuries, for golden streets and beggars' wallets. President Jackson, in his report, had acknowledged that “the tax on goods is the price of the commodity to the consumer, and these duties are imposed on articles of necessity used by the great body of the people, the burden of imports is drawn from their pockets.” This is the correct rect. The producers certainly advance

ance to the Government, but under a just currency they would be enabled to recover the tax from the final consumer of the goods by adding it to the price. Now this addition was effected by the policy of Jackson and Van Buren, for a rise of prices can only take place in a monetary medium which permits the rise; in other words, the money must depreciate precisely to the extent that justice demands the appreciation of the goods. To superficial thinkers the word "depreciation" suggests dishonesty, fraud, or over-reaching, but in a fiscal sense depreciation is the sole conservator of equity where revenue is raised by indirect taxation. The natural value of a commodity is its cost of production simply, from which tax is entirely excluded. For the sake of illustration let that be one sovereign, or 5 dwts. of gold. Now, impose a tax of 10s. or 10 dwts. of gold—the price rises to 7½ dwts., but how is the producer to obtain 7½ dwts. of gold from the consumer in an open market for that which is only worth 5 dwts. of gold? It is entirely impossible, since every one will purchase in the cheapest market, and therefore the tax cannot be added to natural value. Dishonesty, therefore, is not in using a depreciating money when the revenue is raised by indirect taxation; the dishonesty is in using a money that will not depreciate. This distinction was not perceived by Jackson and Van Buren; but we must not be too severe on their error, since they shared it in common with the legislature of England, who uphold it to this day. It will further be observed that though the American President suppressed the national or federal bank, they called into existence another agency, only differing in name from that institution, for the Treasury notes, issued in lieu and in anticipation of revenue, were a close imitation of Bank of England notes issued on the deposit of large exchequer bills by government in the hands of the bank directors. In fact, both instruments were instruments of credit resting on the faith of their respective governments for their redemption at some postponed date.

The death of General Harrison raised Vice-President Tyler to the Presidency. He convened a special session on the 1st of March, 1841, and, in his message, made the following remarks on the banking controversy.

"Within a few years past," he said, "three different schemes have been before the country. The charter of the Bank of the United States expired by its own limitations in 1836; an effort was made to renew it, which received the sanction of the two Houses of Congress, but the then President of the United

States exercised his veto power, and the m
Mr. Tyler considered that General Jackson
in the course he took by public opinion
Buren, who had adopted the policy of his p
in obedience to the popular will. He then
the public moneys were withdrawn from th
were placed in deposit with the States bank
that policy has been before the country.
the question whether that experiment w
pitious or adverse circumstances, it may be
it did receive the unqualified condemnation
advocates, and it is believed was conde
sentiment. The existing Sub-Treasury sch
stand in higher favour with the people, b
condemned in a manner too plainly ind
doubt. Thus the short period of eight ye
as having successively condemned each
finance to which I have adverted. At the t
at a time (1816) when the State banks, ther
number, had been forced to suspend specie
of the war which had previously prevailed
whether, if the United States Bank Chart
1811, had been renewed in due season,
enabled to continue specie payments du
disastrous period to the commerce of the c
diately succeeded, is, to say the least,
whether the United States Bank of 1816 p
of specie payments, or the same was acco
instrumentality of other means, was a mat
at that time to determine; certain it is, fo
operation of that bank, that its course was a
greater part of its subsequent career it b
cessful. As to the second, the experim
redundant treasury, which continued to in
to be the part of wisdom to distribute
among the States, which, operating at
the Specie Circular, and the causes befor
them to suspend specie payments and in
the greatest embarrassment. And as to
through all the stages of the transmuta
specie to nothing but the precious metals,
public moneys, its injurious effects have
the country in its unqualified condemna
regarded as the judgment of the American

ect, I have no accurate means of determining, but by appeal-
to their more immediate representatives. The late contest
h terminated in the election of General Harrison to the
idency, was decided on principles well known and openly
red; and while the Sub-Treasury received in the result the
decided condemnation, yet no other scheme of finance
ed to have been concurred in."

is extract from the message is a complete summary of
finance, and therefore is given unabridged. Mr. Tyler
duced his statement by submitting the entire question to
ress, expressing his readiness to concur in the adoption of
a system as Congress might propose, provided it did not
ict with the constitution. He, however, observed that
restriction should be put on the unlimited creation of banks,
h could only be done with the assent of the several States.
e may here sketch the state of parties on the accession of
Tyler to the Presidency.

e old Federal party, greatly weakened under the Presidencies
ferson and Madison, expired soon after the termination of the
with Great Britain in 1815. Even the very name of Federalist
out during the administration of Mr. Monroe. The sup-
ports of General Jackson assumed the title of Democrats; his
ponents, that of Republicans. In 1833 and 1834 these latter
joined by some seceders from the Democrats, when the
d party took the name of Whigs. In this manner, when
Van Buren was elected to the Presidential chair, the country
divided into Democrats and Whigs. The ranks of the latter
again recruited by some minor parties having local or
al views, such as the Anti-Masons of the middle and eastern
s; the States Rights men of the South, who disapproved
e proceedings against the United States Bank; and a
section, who had supported Jackson in Tennessee, Georgia,
ome other States, but were opposed to Van Buren. The
ocrats had become divided in 1835, particularly in the
ern and middle States. They who opposed all banks and
oneyed institutions, took the name of "Locofocos," and were
called the "Equal-Rights party." These sprang from what
een called the "Working Man's party," organized by
rt Dale Owen and Miss Frances Wright, who brought the
as from Great Britain. They had been the firmest friends
ckson, and were resolutely opposed to what they regarded
monopoly corporations. Thus the Democrats were split into
ns; for though they had unitedly opposed the renewal of

the charter of the United States Bank, so in favour of States and local banks, and agricultural; while the Equal-Rights party insisted on monopoly, and hard money. On these points Democrats separated themselves from Localists, and took title of Conservatives, and eventually joined the Whigs. It was the alliance of Whigs and Conservatives that carried Harrison and Tyler to the Presidential chairs. The quotations we have made from Tyler's inaugural address, prove him an opponent of metallic currency; and during his canvass he avowed himself a Whig and a Protectionist. In the address of a national bank he had addressed, before his inauguration, the following declaration of his sentiments, to a meeting in October, 1840:—

“My opinion of the power of Congress to create a United States Bank remains unchanged. The Constitution contains no express grant or power for such an institution; it never could be constitutional to exercise such a power; and in the event that the powers granted to Congress should be carried on without resort to such an institution, it would be unconstitutional.”

This letter, the sentiments expressed in his inaugural address, and the fact of his having been elected to the Presidency on the united Whig and Conservative ticket, led me to believe that Mr. Tyler would ratify a national bank sanctioned by both Houses of Congress, if it did not directly violate the spirit of the constitution. Accompanying the President was a report from Mr. Ewing, Secretary of the Treasury, earnestly recommending a national bank. It contained the following passage:—

“If such an institution can be so conceived and guarded in its details as to remove all serious questions of constitutional power, and thus avoid the objections which have been urged against those heretofore proposed, Congress, it will, in the opinion of the undersigned, attain the happiest results, and confer lasting and important benefits on the country.”

Mr. Ewing brought forward a Bill for the “Fiscal Bank of the United States,” and in the title he had selected. In the first place, the Bank was to be incorporated in the district of Columbia; and, secondly, to establish branches with the assent of

al was to be fixed at thirty millions of dollars, and it was privileged to discount and deal in the foreign exchanges. The project was submitted to a select committee of the Senate, approved both in principle and details, with the exception of the principle of branches. An amendment gave power to increase the capital from thirty to fifty millions of dollars should be deemed advisable. The Government subscription was to be ten millions. As to branches the Senate made it obligatory on any corporation to establish an office of discount in any State where two thousand shares should have been subscribed," and the legislature of the State demand it; further, "the directors were authorised to establish such offices in any State or Territory where they should think it expedient, without the assent of the local legislature;" or, instead of establishing such offices, they might employ a bank or an agent, to be approved of by the Secretary of the Treasury, at any place, to transact the business of the bank, for any purpose except that of discount. It was soon made known that the President thought that the Constitution gave power to create a bank, but none to create a branch. As this distinction might have endangered the whole project, Congress agreed to the following compromise. The directors were to have power to establish a branch with the assent of the State in which the branch was located, and once established it was not to be withdrawn without the assent of Congress; provided, first, that the power to establish a branch should be unrestrained in respect to any State which had not, at the first session of its legislature after the passage of the Charter, express its disapproval, in default of which assent was to be assumed. And, secondly, whenever Congress might deem it proper and necessary to the executive powers granted by the Constitution to establish a branch in any State, then Congress might require the directors to found one. This compromise to remove the scruples of the President, was incorporated in the Bill which was passed by Congress on the 6th August, 1841. The vote of the Senate was 26 to 23, and of the House of Representatives 128 to 97. The Bill was then sent to Mr. Tyler for his signature, and, contrary to general expectations, he hesitated to sign it. A Whig deputation waited on him, when he said, "Why did you not send me Ewing's Bill?" One of the deputations asked, "Would you sign that Bill?" He answered, "I could." However, he afterwards changed his mind, and vetoed the Bill on the 16th August, 1841. Thus terminated the Senate Bill. Mr. Tyler had said to one of the delegates of a deputation from Ohio, "If you will examine the message I have sent to-

day, you will find shadowed forth a much better that has been long endeared to me." The President maintained that the principle of a national bank was sound. Two members of Congress were deputed by the President to obtain from the President what kind of Bank he desired. In reply he expressed himself in favour of an agent divested of discounting power, and of bills of exchange other than those drawn by a citizen upon another citizen of the same State. A bill was introduced in conformity with those suggestions. It was reported by the celebrated Mr. Webster, then Secretary of the Treasury to the President; it was approved and transmitted to the House of Representatives, reported there, and passed. This happened on the 23rd of August. On the 27th of September it passed the Senate by 27 to 22. The bill was altered from the original report. The name of the bill was omitted in deference to the wishes of the President. The bill was entitled, "An Act to provide for the better management, keeping, and disbursement of the public revenue, by a corporation to be called the Fiscal Corporation of the United States." In the mean time the Sub-Treasury Bill, with the signature of the President having been attached, was an instrument on the 17th August, 1841. But the Fiscal Corporation Bill, introduced under such favourable circumstances, experienced the same fate as the Bank Bill, being vetoed on the 11th of September, 1841.

These extraordinary proceedings led to the dissolution of the Cabinet, all the members, excepting Mr. Van Buren, resigning on the 11th of September. On the 9th of September, 1841, on which the veto message on the Fiscal Corporation Bill was vetoed, Mr. Tallmadge, one of the senators from New York, and a confidential friend of Mr. Van Buren, wrote to him a strong remonstrance, warning him of the consequences of his second veto, and declaring that it would alienate the feelings of all who had raised the question. "It is the part of a great man," said Mr. Tallmadge, "to remove the obstacles which obstruct the way of smart measures." This reminded the President that General Washington, on the first bank Bill fully prepared, though he was inflexible. They who had opposed his election, and of his conduct; and Mr. Van Buren affirmed that he should complete the work so wisely begun, and that the Bill for the creation of a fiscal corporation,

he thanks of the country." There can be no doubt that General Harrison and Mr. Tyler were both elected by the union of the Whigs and Conservatives, who desired a national bank, and that Mr. Tyler had expressed himself favourable to such an institution. Why, then, did he disappoint the hopes of his supporters? Two motives were assigned. In the first, he entertained conscientious scruples as to the proper interpretation of his oath of office, which he finally thought, after mature reflection, forbade the existence of a national bank; and, secondly, he feared to forfeit the consistency of his character; as he had voted against the constitutionality of a bank when a member of Congress, he was reluctant to change his policy as President. It is said that he had modified his earlier opinions when he became a member of the Senate. He recognized the utility of the institution as the regulator of the exchanges, and while he was still sensible to banking abuses, he thought they might be guarded against. His mind was, however, in a state of transition. It was asserted by his enemies that he eagerly desired to occupy the Presidential chair for a second term of office, and that, despairing of success without the votes of the Democrats, he hoped to conciliate them by supporting the two bank Bills. If that were the real motive of his extraordinary conduct, it failed to secure the object of his ambition. He retired unregretted by either of the two great political parties, having lost the confidence of the Whigs and Conservatives, and failed to conciliate their opponents.

Here this series of articles finds its appropriate termination; though all history is a continuation from its commencement as close, still it may be, and is, divided into epochs, each of which is complete in itself. In the period passed under review, a line of illustrious Presidents held sway, who disappeared with General Harrison, and every man of real talent declined to accept of office. No longer content with their own enormous territories, the South cast a covetous eye on Mexico, for the express avowed purpose of extending slavery, their own lands being crowded with a growing negro population. This was the political wedge which in due time split the federation in twain. The history of that revolution is not yet to be written, for it is clouded with prejudice and hireling statement. We pause, therefore, where we can stand on firm ground, and close our *Historic Outlines*," in 1845, with the administration of Mr. Tyler.

BANKING AND FINANCIAL AN

No. VIII.

ROTHSCHILD AND HIS FAVOURITE PILLAR

A FAMILIAR figure to the memory of many, Nathan Meyer Rothschild leaning against one pillar of the Exchange. Every Tuesday and Friday, at least, to be seen there, and to have seen Rothschild leaning against that pillar, would have been a great sight. As in the case of Paterfamilias in the particular corner, or of the leading oracle in the particular room, that pillar became to be regarded as a pillar of the Exchange. A financier on one occasion learned that it was not so, and, with more bravado than sense, and with more wit, one Tuesday afternoon planted himself against the pillar on the arrival of the great Jewish banker. It was Mr. Rose (for that was his name as the story books tell of the arrival of Mr. Rothschild: but Mr. Rose was not a banker). He maintained his right to occupy that spot as long as he pleased. This was the Royal Exchange, he declared, free to all; but he had a greater right than he. In vain Rothschild grumbled, and bystanders protested. Mr. Rose was a powerful man, and with his back firmly against the pillar, he, from this position, defied the onslaughts of his assailants. Having sustained his post, or rather his pillar, for half-an-hour, he had sufficiently gratified his feeling of bull-dog tenacity, and he at last vacated his position amid the ho-

A CURIOUS INTRODUCTION TO B

Mr. Lawson, the author of the "History of the Bank of England," his financial career in an extraordinary way. One day, having just left the Bluecoat School, in the street where the bankers most do congregate, and his attention attracted by a group where a number of young men were continually coming in and out. To his query, what was the business of the place, the reply was, "It is a banking house." Revolving

er really was, he searched his dictionary, and there found that a
er was a money-changer. "This was precisely that sort of
ness," says Mr. Lawson, "with which I felt myself familiar ; for
d for the preceding seven years been in the constant habit of
ng with money-changers, albeit I never knew that they were
d bankers." In the Bluecoat School no money was allowed to
ent but "hospital money," so that when a boy received any
y from his friends he was anxious to get it exchanged for the
ent coin within the bounds of this ancient educational establish-
t. "The town money-changer," he says, "was familiar to me
my infancy, and in my cloistered simplicity I thought that the
e in Lombard Street was an establishment on the same principle.
rdingly, on the following day, I went again to Lombard Street,
l opposite the house, and saw the same description of young
among them several about my own age. Impelled by some un-
n and undefined influence, I crossed the street, and entered the
e. I saw young men standing behind long counters weighing
and silver in scales. I stood there for some time watching the
s, and inwardly admiring the magnificence of the money-
gers ; at last I said to one of them, 'Pray, Sir, do you want a
' I added, 'Nobody told me so, but having recently left
l, I am desirous of getting some employment. I am living
my mother, who cannot afford to keep me at home idle,
what to do I know not." Whether the teller was struck with
novelty of the application, or the reason I adduced for making
never could discover ; suffice it to say that, after waiting
t ten minutes, I was requested to walk into the partner's
e. On my entering this sanctum sanctorum, I perceived three
ns sitting at a table. One was a very venerable and a very
ble-looking old gentleman, the head of the firm ; the others
younger. One of the latter, the junior partner, addressed
putting the question the teller had done ; and, nothing daunted,
ve the same answer, adding, 'I do not like to be beholden
y friends for any support, if I can anyhow get my own
g.' 'A very praiseworthy determination,' he said ; 'and how
re you, my boy, and how long have you been from school ?'
ng satisfied him upon these points, he continued his queries,
g what sort of a hand I wrote. 'A very good one,' I replied ;
east so my master used to say ;' and, at the same time, pulling
y school copy-book, which I had been thoughtful enough to
n my pocket, I displayed it before him. 'Ay,' he said, 'that is

very good writing ; but can you get any one to write as I said at once, and without the least hesitation, my having the remotest idea what the term signified in the sense in which he used it. Inquiries were made the following Wednesday I received a visit from the banking-house whom I had accosted on Monday, and who said he was very happy to be the bearer of the news that I had been appointed a clerk in the establishment.

ORIGIN OF THE WORDS BANKER AND BANK

In the middle ages, or, at all events, during an indefinite period, the merchants and money-lenders used to sit on a *banco*, or bench, the money that they had lent, and thus the word came to signify a repository of money. When one of these money-lending merchants was broken in his business, his bench, or counter, was broken, and he was spoken of as a *bancorotto*, or bankrupt.

LIBERALITY OF MR. COUTTS TO A SERVANT

One of the clerks at Coutts's bank had on one day, on his collecting day, the money which he had to bring in, amounting to £17,000. At the usual hour for returning, he did not appear, missing. The noting hour passed ; messengers were sent to the settling houses, and to his lodgings, but he was not obtained ; advertisements were sent to all the newspapers in the morning the town was placarded with a full description of the property, and a large reward offered for its recovery. Nothing was heard during the next day ; but on the following morning, one of the partners in the Southampton branch, in haste, bringing with him the note-case and bag containing the missing property. He said that the first coach, in which the coaches arrived had the previous afternoon, and begged him to accompany him to his house, where he arrived early in the morning, had gone to bed, and was, as he thought, now dying, and wished to see the

relative to a large sum of money then in his possession. On his arrival, the person told him his name, said that he was clerk in Mr. L.'s house; that he had been out collecting, and on his return through Piccadilly he was seized with a stupor (a malady he for the few months had been subject to, owing, as he supposed, to a fall). He begged that, for God's sake, an express might be immediately sent to inform the house of the circumstance; and he added that he could give no other account how he came where he was (which he did not know till the landlord informed him) than that at the moment he found the stupor coming on he got into what he thought a hackney coach, that this turned out to be the Southampton coach, and that he remained insensible during the whole journey. The firm immediately caused all the placards to be covered over with a statement that the whole of the property had been recovered, and that the supposed loss was only occasioned by sudden illness. There were some who thought Mr. L. really had tried to abscond, and he was dismissed, the reason assigned being, that a person subject to such a malady was not fit to transact the duties of a banker's clerk. Mr. Coutts, on parting with the clerk, made him a very handsome present—a sum, in fact, sufficient to purchase an annuity for the remainder of his life.

AN OLD £1 NOTE.

It is a rare thing to meet with a £1 note in England at the present time. In April, 1865, much to the surprise of Messrs. Simonds, Messrs. of Reading, two of their £1 notes, issued in 1810, and signed by Mr. H. Simonds, who was then a junior partner in the firm, were presented to them for payment, and honoured. Had the value of the notes been placed at interest for the 55 years which elapsed between their issue and the time they were issued, the amount would have increased, at 5 per cent compound interest, to about £30.

MR. COUTTS AND MISS MELLON.

Mr. Thomas Coutts, some years before the death of his first wife, Mary Starkey, a domestic servant, but an amiable and subsequently an accomplished woman, became acquainted with Miss Mellon. Mr. Coutts was so much struck by Miss Mellon's personal appearance and her performance in one of her favourite popular characters, that he sent

a message requesting the honour of being a visitor. At her next benefit he enclosed five n of tickets, which the lady duly enshrined in a polite note that accompanied them as a mark of the richest banker in the metropolis, little dreaming that immense wealth would in a few years be entirely his.

The attentions of Mr. Coutts to Miss Mellon, in the disparity of their years, did not fail to give rise to a calumnious insinuation. To relieve her from the necessity of her appearance on the stage and her attendant expenses, Mr. Coutts recommended her to retire altogether. In order to reimburse her for the situation from which he had been instrumental in relieving her, Mr. Coutts conferred upon Miss Mellon, in the best possible manner, a very ample independency. He purchased a villa, at the foot of Highgate-hill, called Holly House, at that time to Sir Henry Vane Tempest, for which he presented to Miss Mellon, and here she took up her abode. She subsequently gave her a carriage and horses—to quell those censorious whispers in the beau monde which her friendly intimacy had given rise to.

Shortly after the death of his wife, Mr. Coutts died. Miss Mellon—an event which created considerable surprise, in the fashionable world at the time—shows the estimation in which the lady was held. A gentleman was inspecting a volume of theatricals, and of Mr. Colnaghi, the famous printseller, who with his pencil struck his attention. Opposite to each picture was a graphical notice, and the writing alluded to the notice of Miss Mellon. Her retirement from the stage is recorded, a note in the handwriting of Mr. Coutts, in the following effect : “ When she married Thomas Coutts, of the Strand, which proved the greatest blessing he ever made him the happiest of men.—T. C.”

Legal Miscellany.

BANK OF AUSTRIA—THE BARON DE THIERRY AND ANOTHER V. LORD FERMOY AND ANOTHER.

case was argued in the Court of Queen's Bench in banco, on the June.

was an action by the Baron and Mr. J. O. Lever, M.P., against Lord Fermoy and another gentleman, on an agreement by them to pay £20,000, the transfer to them by the former of a concession for the establishment of a joint-stock bank at Vienna. The Baron and Mr. Lever, the original concessionaires, had, in December, 1862, obtained a preliminary concession, which expressly stated that the concessionaires must obtain a definitive concession, "on submitting proof of the necessary means, and a draft of the statutes (or bye-laws) framed according to the Austrian law." And they had accordingly submitted to the Austrian Government a draft of such statutes. That being so, on the 22nd of April, 1863, they entered into an agreement with Lord Fermoy and his friend to transfer to them all their rights under the preliminary concession and the definitive concession as soon as obtained, and there was then the clause: "A copy of the statutes submitted by the concessionaires to the Imperial Government for approval, to be given forthwith to the assignees (Lord Fermoy and his friend), who, so far as the concessionaires are concerned, hereby agree to accept them as they stand;" and it was further stated that the definitive concession, when obtained, should be assigned to them free from all conditions other than in the agreement, except to the plaintiff, thirty days after allotment of shares in the bank, £20,000, and expenses, which, however, by the subsidiary agreement, was reduced to £20,000, half in cash and half in shares of the intended bank. On the 2nd of September, the definitive concession was issued to the plaintiff with a copy of the statutes annexed, as approved by the Government, which was sent to the defendants at once. In this copy of the statutes the most important alterations had been made,—one was by the insertion of a single line in the clause providing that the directors might pay out of the funds of the company, all the charges, claims, and expenses incurred in the formation of the company, or obtaining of capital. To this the Austrian Government added these words:—"The approval of the acts (or arrangements, as the word in the original signifies) is reserved to the first general meeting;" and they further added a clause that the chairman and majority of directors were to be domiciled in Austria, and also the board was to be established and located, and the first six directors to be approved by the Austrian Government. These alterations were not observed, and the prospectus was issued by the defendants, stating that the company had been established by a concession on the basis of statutes sanctioned by the Government, and upon the 2nd of October, 1863, the allotment of shares took place. At the end of the month, when the period of 30 days from the time of allotment was about to elapse, the Austrian directors observed the alteration as to the allowance of preliminary expenses, and objected to it. Ultimately, on the request of the Austrian Government to waive it, they withdrew from the company. The Baron and Mr. Lever, after the 2nd of November, when 30 days from allotment elapsed, called upon Lord Fermoy and his

Mr. Bovill, Q.C., Mr. Mellish, Q.C., and the plaintiffs, the original concessionaires, that they were bound in the agreement, and that the defendants were not bound when obtained, no matter how the success of the argument on the main question was supported by Mr. Bovill and Mr. Mellish, and it was now to be decided. It came, in substance, to this—that their clients were more bound than the defendants to obtain the concession, or to obtain it on the basis of the statutes as they stood. If of Lord Fermoy was to pay the money when the concession was obtained and they were bound to take it on the basis of the statutes, the Government might choose to impose.

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it was to be and was actually granted. He urged that the "allotment of the shares in the bank" meant the allotment of shares in the bank itself, which could not be deemed to be established until the statutes approved were accepted; but upon this point the Court were strongly of a contrary opinion, and so intimated. He then fell back upon the main argument, that the consideration and condition on which the money was paid was not merely the allotment of shares, but the grant of a concession on the basis of the statutes as they stood. The effect of the alterations introduced by the Government was entirely to alter the condition of the company. There was to be a majority of Austrian directors, the chairman was to be domiciled in Austria, and the board was to be elected there, and the first six directors to be approved by the Imperial Government. The company in reality was to be made entirely Austrian and brought completely under the control of the Government, and the objections on the part of the English shareholders might naturally object to this, and say that it was not the concession they contracted for. They contracted for an Anglo-Austrian concession; they got an Austrian one. They contracted for an authority in the directors to repay themselves preliminary expenses; they got it subject to the condition of an assent by the majority of the first meeting of shareholders. The result might be that they would have to pay the whole out of their own pockets. These alterations were introduced by the arbitrary intervention of sovereign power without the will of either party to the contract. Surely they materially altered, and, indeed, did away with the subject of it. Surely the concession contracted for would no longer be in substance and reality the same; and then the plaintiffs never obtained and never were able to transfer the concession which was contracted for. And even supposing that the defendants were liable, for what damages were they liable? Not for the whole amount, for half was to be paid in shares of the bank, which was never issued, so that such shares were never issued. Ten thousand pounds to be paid in such shares, therefore, came to nothing. The defendants never contracted that the bank should be established. It never was established. If, then, had the plaintiffs lost? The shares surely were nominal and the amount of damages ought only to be £10,000, not £20,000. Mr. Kingdon contended that as the whole was due on the 2nd of November, and the bank did not fail until a fortnight later, the shares could have been resold next day for the full value, and so the plaintiffs were entitled to the whole amount.

The Lord Chief Justice, in the course of the argument, said the question was whether upon the construction of the agreement it meant that the defendants, Lord Fermoy and his friend, contracted for the mere inchoate shares of the plaintiffs, the concessionaires, as they then stood, and taking no chance as to the approval of the statutes in their form as they stood at the time of the agreement, or whether they contracted for a concession on the basis of the statutes as they stood, and so on condition of their approval in that form. That the shares had been allotted within the sense of the agreement, although the bank had not been finally established (the concession not having been accepted and carried out) was clear. It was the agreement used the words "shares in the bank" (or rather "the intended bank"), but it was manifest that the parties meant the shares in the company; and it would be monstrous to construe the agreement in any other sense. As to the alterations in the statutes, their precise effect was not, in some respects, but they were to be distinguished from the concession. It might or might not be that the concession was

to be on the basis of the statutes as they stood. The concession was one thing, the statutes were another. A definite concession—had been obtained. Was it on the basis of the statutes as they stood? That might be a question. Even assuming that if the statutes had been so altered, the object of the concession—the establishment of a company—carried out, the parties would have been discharged. The object of the alterations was not to interfere with the concession, however it might in some degree materially affect the defendants, the assignees? And, again, although they had objected ultimately to one of the alterations, they had not objected until the time for payment had arrived. They had accepted. They had issued prospectuses stating that they had been obtained on statutes sanctioned by the Government. They had allotted the shares a month after receiving the statutes. They had allowed the thirty days after allotment to elapse before they objected to the statutes. Might not all this be evidence that they had accepted the statutes as altered, and thus leave the contract on the basis of the new contract implied from the acceptance of the statutes? Or was it to pay on the basis of the original one? Or was it by mutual assent. Surely there had been an alteration of the statutes. The Baron and Mr. Lever were still bound by the alteration of the statutes, the defendants having accepted the altered. If not, how could the defendants throw

Mr. Justice Crompton likewise observed in the case that the utmost the defendants could contend was that the concession was voidable by them on account of the non-approval of the Government. It was going a great way to concede even that, for the general principle was that a matter could not be deemed a condition precedent to the making of the contract, unless it went to the whole of the contract, so as to raise a defence of total failure of the contract. If that doctrine it must appear that the alteration of the statutes, and the concession wholly valueless. It could not, in that view, that the contract was necessarily nullified. The contract was not nullified as regarded both parties. The Baron and Mr. Lever could not throw it up, and the same was true for Lord Fermoy and his friend was that they were bound in a reasonable time. But they had not done so. They had not, although they had accepted the statutes as altered. They had nothing to show that they rejected them until the time had elapsed or was just about to elapse. A party is bound to reject a contract, supposing it is not to his advantage, in a reasonable time; but here the defendants not only did not reject it in a reasonable time, but actually accepted, or went on with it.

Mr. Justice Shee made several observations to the same effect. The Lord Chief Justice towards the close of the case said that the strongest way of putting the defence was that, on the basis of the statutes the preliminary expenses, including this share of the funds of the company, the Government had been bound to make. That was the strong point of the defence—whether the alteration was such as substantially to change the nature of the constitution of the company and the position of the

must be borne in mind that the agreement was not to the company, nor was it conditional on the money of those funds, but was the personal engagement of the defendants.

Having concluded, Justice said the case was one of very considerable importance and would take time to consider their final judgment.

POST-DATED CHEQUES.—AUSTIN V. BUNYARD.

Presented by the Court of Queen's Bench in banco, on the 26th instant being the Lord Chief Justice and Justices Crompton, and the Justices of the Common Pleas.

On a post-dated cheque for £200. It was made and dated of June, but was dated a month later—the 22nd of July. It was not payable until a month after date, as it was not drawn, and in point of fact it was not taken by the holder (for full value) until after the month had expired. It bore a penny stamp; the stamp fixed by a late Act of Parliament for the amount payable a month after date would have required a higher stamp, and at the trial before the Lord Chief Justice it was taken that by a very early statute, 31st of Henry VIII. imposing duties on bills—it was enacted that any stamp should be invalid and unavailable, and all subsequent Acts imposing the one imposing a penny stamp duty on cheques, and penalties, forfeitures, &c., in previous Acts, and that any such stamp was invalid. Several judges had already allowed the objection. Mr. Justice Hill, lately a judge of this Court; and the Lord Chief Justice, in deference to these authorities, also allowed the objection. The point however, for the final opinion of this Court. The Justices of the Common Pleas, however, in a case of "*Whistler v. Foster*," had allowed the objection, and declared the objection untenable. The Lord Chief Justice of these opposite views was to be upheld and adhered to.

Mr. Laxton argued for the defendant.

He argued for the plaintiff, and admitted that before the Act imposing a stamp duty on cheques, the objection was valid, it was not in a case of "*Field v. Wood*" (7, Adolphus and Ellis's Reports), but was in Lord Denman's time. In the result, the Court was divided in favour of the plaintiff, apparently, by a majority of the Common Pleas.

Justice said, in giving judgment, that it was not necessary to say whether the Legislature intended to make the instrument void. He rather thought that it was so intended, and was satisfied with the reasons given in the case referred to; and that the Court until reversed in error, and, therefore, the judgment entered for the plaintiff.

The Judges concurred.—Judgment for the plaintiff.

The case is now to be taken to be settled, until, at all events, it is carried

**INJURY TO CREDIT BY NON-PAYMENT OF A CHEQUE
ALLIANCE BANK.**

This case was tried before Mr. Justice Mellor, in Bench, on the 6th June.

It was an action to recover damages in consequence of credit having been injured through the non-payment of a cheque. The defendants pleaded that they had no assets applicable to the cheque when it was presented for payment.

Mr. Serjeant Parry and Mr. Harry Palmer were plaintiffs; Mr. Hawkins, Q.C., and Mr. Hannen were defendants.

The plaintiff was a general provision merchant, of Whitechapel. He had had an account at the defendants' bank for two years. On Saturday, the 4th March, he drew a cheque for £25 in favour of Messrs. Hayman, and on the Monday it had been returned unpaid. On the Saturday afternoon for £25 before half-past ten o'clock, and it was cashed as cash, £25. On Monday he gave his father about £25 to pay into the bank for him. This was the first time he dealt with Messrs. Hayman, and in consequence of the non-payment of the cheque, they had not had any further dealings with him. His father's cheque was lent to him about ten o'clock on Monday evening, and he paid it into the bank himself. The cheque was not cashed on Wednesday, but it was not to be presented before the bank on Thursday morning. The cheque was paid about a quarter past one o'clock on Thursday morning.

Mr. Hayman was called. He stated that the cheque was not cashed, and he had endorsed, "Effects not cleared." He presented the cheque to the bank at eleven o'clock on Monday morning, when he was told it was not cashed. He called again about one o'clock, and again in the middle of the day. He called again about one o'clock, when it was paid. He called a third time about one o'clock, when it was paid. He was waiting the return of the collecting clerk.

Mr. Justice Mellor said it was evidently a mistake on the part of the bank, and it was a case that might very well be arranged.

Mr. Hawkins said unfortunately, by some mistake on the part of the bank, the £55 did not find its way into the bank books.

Ultimately a juror was withdrawn, the defence was allowed to withdraw, and the defendant was ordered to indemnify the plaintiff from all taxed costs.

**ALLEGED FRAUDULENT REPRESENTATION WITH REGARD TO
THE CREDIT OF A FIRM—WATTS AND OTHERS V.**

This case was tried in the Court of Queen's Bench, before Mr. Justice, on the 16th May.

Mr. M. Chambers, Q.C., and Mr. Wills appeared for the plaintiffs; Mr. Coleridge, Q.C., Mr. Hance, and Mr. B. T. Williams appeared for the defendant.

The plaintiffs (Sir Samuel Watts and Co.) are warehousemen, and they sued Mr. John Lewis, a partner in the Hampshire Bank, at Haverfordwest, under these circumstances. The young men, Isaac Lewis and Neville Harris, had been employed by a Mr. Warren Carter for some time as assistants.

and woollen draper. On the 12th of September, 1863, an agreement made between Carter and Messrs. Harris and Lewis that they should upon themselves the indebtedness of Mr. Carter, and become the purchasers of the stock, fixtures, furniture, and goodwill at a valuation. It likewise agreed that Messrs. Harris and Lewis should accept two bills for £26. 13s. 4d. each, to the total amount of £1,280, and a lease of the premises; that Mr. Carter should undertake not to go on business within a certain distance; and that, in the event of the stock not being worth £500 more than Mr. Carter's debts, he should bring stock goods to the value of the deficiency. As matters turned out, there was only about £370 of stock over and above the amount of Mr. Carter's debts, and Mr. Carter drew bills to the amount, which were subsequently met and returned to Messrs. Harris and Lewis by the defendant as manager of the bank. Early in October Messrs. Harris and Lewis went to London to purchase goods, and they gave references to Mr. John Lewis, the defendant. On the 6th of October the plaintiffs wrote to Messrs. Walters, of the Pembrokeshire Bank, in these terms: "We are referred to you by Messrs. Harris, and Co., Haverfordwest, and shall feel obliged by the best information in your power as to their means and respectability in business." The defendant, who had been their manager for twenty-two years, wrote in reply: "We have made particular inquiries respecting this firm, and are informed that their capital is £500. Mr. Carter has left £500 in the business in addition, on a bond, payable by instalments of £100 per year after the expiration of eight years, free of interest. They seem very respectable and good men of business." Upon the receipt of this reply Messrs. Watts forwarded goods to the value of about £100, and, as Harris and Lewis subsequently failed, they sought to recover the amount from Mr. Carter. Lewis, the bank manager, upon the ground that in this letter he had been deceived and fraudulently represented that Messrs. Harris and Lewis were worth £500, and that Mr. Carter, to whom they succeeded, had left £500 in the business. In March, 1864, Messrs. Harris and Lewis made a composition with their creditors, and in the following month Mr. Carter was declared bankrupt.

The case for the plaintiffs was that Mr. Carter, who had been in partnership with a Mr. Davis, was owing the bank more than £3,400 in September, 1863, and that by the time Messrs. Harris and Lewis stopped payment the debt had been reduced to £2,500; that the bank kept the new firm in the business for the purpose of obtaining that advantage; and that it was with reference to the manager had written the letter of the 10th of October, well knowing then that the representations were substantially untrue. The case for the defendant was, that he acted in good faith and that he believed the statement in question upon information which he honestly believed to be true and correct. He wished to suppress no material fact. He was to receive one-third of the profits for eight years, but that was in return for his services, as manager of the business. As a proof that he had no fraudulent intention in concealing it, he referred to the fact that the letter to Messrs. Hitchcocks contained it, and alleged that it was omitted from the letter to the plaintiffs by pure accident. At the date of the letter, he supposed Carter to be solvent. His liabilities to the bank were secured not only by himself, but also by the firm of Carter and Davis, who was supposed to be solvent, and by other substantial parties, and that when afterwards Davies (Carter's partner) put in a claim against Carter for £1,000, at that time it appeared, from an account rendered by Davies himself, that Davies owed Carter nearly £1,000. The defendant

relied upon the fact that Lewis and Harris assured him, when he made special inquiries from answering plaintiffs' letter, that the partners brought Carter left £500 represented by stock, on the true value of those statements, and he believes now that and as proof of his belief in the statements made having the capital which they represented to him permitted them to overdraw their account at the bank £125. He said that Lewis had married a woman and that Harris had saved in business, and that £500 were made up. He said the question of the sequent. The date of the letter was October 10th never came to his knowledge before December 10th. The matter of fact they were not in existence before and could not therefore have operated upon when he wrote the letter in question. They were in the following circumstances. Carter was short of money for the one-third of the profits for eight years, capitalised that he might raise some money upon them. The sum was taken as being equivalent to £160 per annum for eight, made £1,280, the sum for which the bills were to run over the eight years. Carter brought in two batches, one in December, and one in January. He was allowed to draw small sums upon them. When on October 10th, the defendant knew nothing of any of the kind. And to show his good faith he opened that day with the young firm, on which the bills were plaintiffs in this case have lost by their failure.

After the examination of several witnesses on behalf of Mr. Coleridge summed up the case for the defendant. Mr. Chambers replied.

The Lord Chief Justice in summing up, said : On the question of proceeding to consider the evidence with reference to you have to pronounce, I need not tell you that it is for you to decide. You should rightly apprehend the nature of the evidence which will have to give your verdict. It does not follow that the effect of the letter written by the defendant is to bind the plaintiffs to part with their goods, whereby they did not get their money, unless other things are proved. The plaintiffs are entitled to the verdict. This is not a case of fraud between them and this defendant. It is not a case of warranty. It takes in the representation that he has made, that it is true, and that he will abide by the result of it. When you state what he knows of another man's solvency, and a party making the inquiry, he, in giving an answer to you, enters into no contract. All he is bound to do is to believe, and if he takes upon himself to make an answer to a party, all that he is called upon is to make what he believes to be true. His presentation. If he does so, however wrong he may be in the correctness of his statement, and however serious the loss on the parties making the inquiry, and receiving the answer, he is bound to do is to take upon himself the office of giving the state of the party faithfully, according to his belief. The question you have to consider here, is whether

by the defendant, Mr. Lewis, were honest, according to his belief, or whether they were fraudulent misrepresentations in this sense, that they were false as regards his knowledge and belief of the subject, and intended to deceive the plaintiffs, because upon that, if the spirit of the representation that was made, and the effect of it, was to deceive them by that, the plaintiffs are entitled to recover. His Lordship then went through the evidence at length, commenting upon it as he proceeded, and said in conclusion, the question is, whether there be fraud first by suppression, then by omission to state facts, and, secondly, was there an intention to deceive. These facts are made out, the plaintiff is entitled to your verdict; if not, the defendant is entitled to your verdict. In order that you may have all the various parts of the case presented to your mind, I have put it on in this form. First, was there any misrepresentation as to the capital of Lewis and Harris being £500, or, secondly, as to Carter having left in the business? If so, did the defendant believe such representation or either of them, to be untrue? And, if so, did the defendant make representations with intent to induce the plaintiffs to trust Lewis and Harris? And were the plaintiffs induced to trust Lewis and Harris by misrepresentations? Was the fact of Lewis and Harris being under a liability to pay Carter £26. 13s. 4d. every two months for eight years a material circumstance which should have been communicated to the plaintiffs as a representation as to Lewis and Harris's means and respectability? If so, was the omission intentional or accidental? If intentional, was the motive of the defendant in omitting it to induce the plaintiffs, from their ignorance of it, to trust Lewis and Harris? And, finally to the fifth question, I ask you to consider whether it may reasonably be presumed that if the plaintiffs had known of the liability in question, they would have declined to trust Lewis and Harris. I have nothing on paper. [Paper handed to the jury.]

Chambers—I am obliged to your lordship for taking that trouble. The jury retired, and after an absence of about half an hour returned [verdict.]

Associate—Gentlemen, have you agreed.

Foreman—Yes, we have. [Handing in the paper.]

Lord Chief Justice—You have answered the questions as to the two points of misrepresentation, both of them in the affirmative. Also that the defendant believed them to be untrue. That the intention was to induce the plaintiffs to trust Lewis and Harris, and that they were induced to trust. And then the fact of Lewis and Harris being under a liability to pay Carter the £26. 13s. 4d. every two months, was a material circumstance to be known. That the omission was intentional; that it was to induce the plaintiffs to trust Lewis and Harris. Therefore, that is a verdict in favour of the issues for the plaintiff.

Chambers—The verdict will be for £122.

Lord Chief Justice—Of course, I stay execution on all points.

Hance—Perhaps it is not very material, but I thought the sum was to be £100. They were entitled to their dividend.

Chambers—Mr. Hance and I can arrange all that.

Hance—It was arranged to be £100, if the dividend had not been received.

Lord Chief Justice—I think that was so.

Chambers—If the dividend has not been received, we will reduce the sum to £100.

Mr. Hance—With a stay of execution
The Lord Chief Justice—Certainly.

On the 20th of May, in banco, before the Lord Justices Crompton, Blackburn, and Shee.

Mr. B. T. Williams, in the absence of Mr. Coleridge, called upon the plaintiffs in the above case to show why a rule should not be granted, on the ground that the weight of evidence. The learned counsel then made several points in the case, when he was stopped by the court.

The Lord Chief Justice said, "I think, Mr. Williams, that you have made a very good case. I was very much startled at the verdict, but I have been much better pleased if it had been the other way. Rule nisi was granted for a new trial."

With reference to this case the following letter was published in the proprietors of the bank to a local journal:—

PEMBROKESHIRE BANK.

Haverfordwest.

(To the Editor.)

SIR,—We feel it due to ourselves and to Mr. Lewis, our manager, to remove any erroneous impressions from the minds of our friends and clients, and also of your readers in general. The "Watts v. Lewis" was a personal one, against Mr. Lewis, directed against the bank, and Mr. Lewis's name appears in the circumstance that, in the absence of our Mr. Watts, we referred to Messrs. Watts & Co., in October, 1863, previous to the trial. We feel assured that all readers of the journal will agree that right and justice are on our side, although we are not sure that we can say that, following the strict decision of the Lord Chief Justice, we have appealed to the public. Our desire in this matter is to place the full facts before the public, in justice to ourselves and our manager. His ability entitles him to our highest respect and our confidence. Our knowledge of him during the last few years. The facts brought out in this action will be a sufficient vindication of him, and we are certain the public, no less than we, will admire his conduct throughout, both in this and other cases.

We are, Sir,
Yours faithfully,

IN THE MATTER OF THE COMPANIES ACT 1862
HINDUSTAN, CHINA AND JAPAN (LIMITED), EX-
LOS.

This case came before the Master of the Rolls on the 23rd June.

Mr. Baggally and Mr. A. G. Marten moved for an order under the Companies Act, 1862, sec. 35, that the register of the bank might be rectified by omitting therefrom the name of a member of the company, holding 102 shares, and

tober, 1864. The case rested principally upon the construction of 161st section of the Act. It appeared that on the 22nd of April, 1864, a stock banking company was registered by the name of the Imperial Bank of China, India, and Japan, Limited, and that Mr. Los became registered holder of 102 shares of £50 each, and paid £5 per share, amounting to £510. In the summer of the year 1864 negotiations were entered into between the board of directors of the Imperial Bank of China, India, and Japan and the board of directors of the Bank of Hindustan, for an amalgamation of the Imperial Bank with the Bank of Hindustan. The Bank of Hindustan was registered in 1862, and its capital was divided into shares of £100 each. On the 28th of July, 1864, the manager of the Imperial Bank forwarded to their shareholders a circular stating that the negotiations for an amalgamation had been brought to a successful issue, and that as early as practicable, in accordance with the articles of association, an extraordinary general meeting of the shareholders of both companies would be convened to confirm the arrangements, previous to which drafts of terms, &c., would be laid before the shareholders. This circular was followed by another, dated the 10th of August, 1864, stating in substance the terms of amalgamation, of which the first was that new shares of £100 each of the Bank of Hindustan were to be issued to the holders of the 20,000 shares of £50 each in the Imperial Bank. The issue was to be at a premium of £6 per share, and the share of the premium to be placed to the reserve fund of the United Bank, and the remaining £1 per share was to be applied to pay off preliminary expenses. On the 25th of August and the 1st of September, 1864, "extraordinary general meetings" of the Imperial Bank were held, at which resolutions were adopted approving an amalgamation of the 24th of August, 1864, between the two banks, for the purpose of amalgamation, and directing that the Imperial Bank be wound up voluntarily and appointing liquidators for the purpose. A further resolution was adopted to the effect:—"That the liquidators be authorised to receive compensation, or part compensation, for the business and property of the Imperial Bank, the Imperial Bank shares in the Bank of Hindustan, upon the terms specified in the agreement; and if any member shall express his dissent from this resolution by a notice in writing to the liquidators not later than seven days after the meeting at which the resolution is passed, the liquidators could require the liquidators to purchase the interest of such dissentient member, the liquidators shall raise the purchase-money to be required of such dissentient member, by the sale of share or shares in the Bank of Hindustan which, under the terms of the agreement, would have been required to such dissentient member." It will be perceived that this resolution was evidently framed in view of the 161st section of the Companies Act, the provisions of which are as follows:—"Where any Company is proposed to be wound up in the course of being wound up altogether voluntarily, and the liquidators or a portion of its business or property is proposed to be transferred to another company, the liquidators of the first-mentioned company shall, with the sanction of a special resolution of the company by whom they were appointed, conferring either a general authority on the liquidators or an authority in respect of any particular arrangements, receive in satisfaction, or part compensation, for such transfer or sale, shares, policies, or other like interests in such other company, for the purpose of distribution among the members of the company being wound up, or may distribute into any other arrangement whereby the members of the company being wound up may, in lieu of receiving cash, shares, policies, or other like

interests, or in addition thereto, participate in any other benefit from the purchasing company arrangements entered into by the liquidators in pursuance of the provisions of the Companies Act, 1862, shall be binding on the members of the company to the proviso that if any member of the company who has not voted in favour of the special resolution by the company of which he is a member, at a meeting held for passing the same, expresses his dissent from the resolution in writing, addressed to the liquidators, at the registered office of the company not later than the date of the meeting at which such special resolution is passed, such dissentient member may require the liquidators to purchase his shares in the company, at a price to be determined by the liquidators, or to carry such resolution into effect, or to purchase such dissentient member at a price to be determined by the liquidators, such purchase money to be paid by the liquidators, and to be raised by the liquidators in such manner as may be determined by special resolution. No special resolution passed in pursuance of this section shall be invalid for the purposes of this section by reason of its being passed antecedently to, or concurrently with, any resolution passed by the company, or for appointing liquidators; but if a resolution is passed by the company for winding up the company by or subject to the order of the court, such resolution shall not be of any validity unless it is confirmed by the court." Mr. Los did not attend either the meeting at which the resolutions were passed, nor did he assent to the resolutions. On the other hand, Mr. Los did dissent within seven days according to the terms of the resolutions. Upon these resolutions being adopted, Mr. Los received from the Bank of Hindustan a circular informing him that he was entitled to 102 shares in the Imperial Bank he was entitled to an allotment of a like number of shares in the Bank of Hindustan at £6 per share, and that the directors had paid on his account to the Bank of Hindustan the sum of £5 per share on account of deposit to be paid by him. "To entitle you to the above option, you must sign the form and transmit the same to this bank on or before the 12th inst." "The form" was a form of application for the purchase of shares, which Mr. Los altered and signed it as altered, but the bank refused to accept the form in its altered state, and returned it to Mr. Los, with a letter, saying, "You may either accept the shares on the terms specified, or decline them altogether. If you decline them, some delay, during which the shares in the Bank of Hindustan will fall from the price of £31 per share to £26 per share, will be the result. If you decline the shares, you will be liable for the loss of £5 per share." In the meantime, and on the 12th of October, Mr. Los was entered on the register of shareholders of the Bank of Hindustan as the holder of 102 shares. Notice of the allotment of shares had been previously sent to Mr. Los on the 26th of September, and the bank afterwards demanded calls on these shares in pursuance of the 35th section of the Companies Act, 1862, which section, as amended, being rectified, "if the name of any person is entered in or omitted from the register, or if default is made in any necessary delay takes place in entering on the register the name of any person having ceased to be a member." A preliminary

Los's case was within the section, inasmuch as, although he had been, as not now entered on the register in respect of the 102 shares, he had ceased by the forfeiture of the shares to be entered in respect of. This objection was overruled, and the motion was heard. In support of the motion it was contended that Mr. Los was entitled to have the register rectified, inasmuch as, although the shares were forfeited, he should appear by the register in its present state to be liable for the calls arrears at the time of forfeiture, and also to be liable as a contributory if the company should be wound up. The 161st section never contemplated that a shareholder in one company should be bound to undertake a liability in another company. If so, a shareholder in a limited company paid-up share might be bound to take in compensation any number of shares of any amount in an unlimited company. The agreement for amalgamation was not in any way binding upon Mr. Los.

Mr. Selwyn, Mr. Jessel, and Mr. Eddis appeared for the Bank of Hindustan, and stated that the question was one of great importance, as there were other shareholders in the position of Mr. Los. They argued that Mr. Los was bound by the resolutions under the 161st section. It was absurd to suppose extreme cases of what might possibly happen under this section; the safeguard was that any resolutions to be binding must be adopted at a general meeting by a majority of three-fourths of the members present in person, or by proxy, and must be confirmed by a subsequent general meeting by a simple majority. At all events, Mr. Los was bound by his contract, and there was no more hardship in holding him bound by it than in making a partner liable to the engagements of his firm to the full extent of his fortune.

Mr. Justice Honour, without calling for a reply, held that Mr. Los was entitled to have the register rectified. Independently of the Act, it was the unqualified law of the country that a company could not bind its members to compel them to become shareholders in another company, and the majority could not bind the minority for that purpose in the absence of a special contract. If the Legislature, by the 161st section, intended to alter the law upon that subject, it would have done so in express words. The question was whether, under the 161st section, a non-assenting shareholder of one company could be compelled to become a shareholder of another with which he had nothing to do, and of which he might strongly disapprove. What would be the result of such a state of things? A man might have taken shares in a limited company where the shares were of a small amount, and was he under this section to be compelled to become a shareholder in an unlimited company where the shares were of large amount? Such a construction would not only be forced and violent in its nature, but also be really unwarranted by anything in the section. It was to be observed that the compensation under this section is given out as a benefit, and you cannot compel a person to take a benefit if he does not choose to accept. There was nothing in the section which compelled a non-assenting shareholder to take shares in another company. Although Mr. Los, as well as all the shareholders, might be included in the arrangement, he was not bound to take advantage of it whether he did or no. This court not only had power, but was bound to entertain the question of the rectification of the registry upon a summary application under the 35th section. Its object was obviously to prevent a quantity of litigation which might otherwise arise.

Banking and Commercial

BILLS AND PROMISSORY

IN *Williams v. Jarrett* (5 Barn. and A. under the 55 Geo. III., cap. 184, sec. 12, bill, the date borne by the bill on the face, the date when it was actually made, is to be taken to mean clear, from what fell from the court in *"Austin v. Bunyard"* (6 New Report 202) had now to be decided *de novo*, it would have been in accordance with *"William v. Jarrett"*; because Cockburn, Chief Justice, when you see the date when the instrument was issued, and the date of it (that is, when a bill is dated—say in fact, in time), are not contemporaneous, you avoid the inference that the intention was to make it a duty, which would be contrary to the policy of the law. However, in *"Austin v. Bunyard"* the authority of *"v. Jarrett"* was held to be binding, especially as the court that they were not sitting in error.

In *"Austin v. Bunyard"* a cheque was issued by —"No. — Cheapside, London; 22nd July 1864, Birmingham and South Staffordshire Bank, to the order of Mr. Garrett or bearer £350." This was the plaintiff's demand and endorsed by Mr. Garrett. The fact, made on the 22nd June, 1864, and signed by Mr. Garrett. It came to the hands of the plaintiff, a convenient holder for value, without any consideration; it was post-dated; it was duly presented on the 22nd July, and was honoured, and the plaintiff thereupon brought an action against the maker of the cheque, the defendant. The cheque had a penny stamp, and at the trial it was held that it could not be admitted in evidence, as it was not a month's date, and ought (under the 17th and 18th sections) to have borne a four shilling stamp. Now, the court, with leave to the plaintiff to set aside the verdict for plaintiff. A rule nisi having been made for that purpose, it now came on before the court for making the rule absolute. On the plaintiff's case it was argued that this was not a demand, being post-dated; but it was in fact a demand, exchange at a month's date. If it was not, it could not be received in evidence, as no

p. On the plaintiff's part, "Williams v. Jarrett," and first section of 21 and 22 Vict., cap. 20, (which makes all bills or orders payable on demand chargeable with a penny discount) were relied on; and it was said that this cheque, being on the face of it dated the 22nd of July, that must be taken to be the date, and it was a draft payable on demand, at least in the hands of an innocent holder; and so the court held, upon the authority of Williams v. Jarrett. We have already noticed that the judges in delivering their judgments expressly stated that they acted on the authority of "Williams v. Jarrett," and expressed, or at least intimated doubts, whether that case was finally decided. The point, therefore, as to whether a note is fully post-dated, but appearing on the face of it to be correctly dated, shall be treated as of the date appearing on the face of it, does not seem to be free from doubt, should the matter come before a court of appeal. At the same time, the injustice of allowing a defendant in such a case as that of "Austin v. Bunyard," himself a party to post dating a bill, to set up the post dating as a defence against an innocent holder, would be so glaring that we should doubt whether a court of law even could permit it; and we feel scarcely any doubt that a court of equity would restrain a defendant from using such defence in such a case. And here we may, not uselessly perhaps, explain to our commercial readers very shortly, that which appears at first sight to be an anomaly, viz., that a court of law should decide one way, and a court of equity the opposite, upon the very same matters. The principle of that contradiction, or apparent contradiction of decision, is this—a court of law is bound to decide upon the facts and positive law. If, therefore, a court of law were to decide that in such a case as "Austin v. Bunyard," a note is held as dated, not of the date on the face of it, but as a note dated of the date of its making, it could have no alternative but to decide for the defendant. But a court of equity has jurisdiction over the conscience of the parties; and if it come to the same conclusion, as we think it would, that for a person to post date a cheque for his own convenience, or for the purpose of defrauding the revenue, and then to set up that fraud as a defence in an action by an innocent holder against the admission of the note in evidence, was a fraud or inequitable transaction; it would restrain, not the court of law from exercising its own jurisdiction, but the fraudulent defendant from presenting to the court of law a fraudulent defence.

On the subject of bills, we notice another case recently decided, "Capman v. Cotterill," (6 New Rep. 237), in which the point

was, whether where a promissory note is signed without the jurisdiction, but delivered by the holder within the jurisdiction of the court, the cause of action is at the place of delivery or at the place of the making of the note. In that case the defendant was jointly and severally indebted to the Union Bank of London, which bank resided at Florence; his brother in London was also indebted to the bank, and that the defendant's brother should pay off the bank £600, and that the defendant should join in the payment of two promissory notes to pay off that balance. Notes were made, signed by the defendant and his brother, and by him to his brother in London; and they were handed over to the bank. In an action brought by the bank against the defendant it was contended on the part of the defendant that the proceedings should be set aside on the ground that the cause of action did not arise in England. But the court held that the cause of action was where the notes were delivered. Martin B. said, "The question is, was the contract in Florence or in London?" and he gave his opinion that no contract arose at all till the notes were handed over to the bank" (and he referred to *C. and Ald.* 474), and Bramwell, B., said "whatever for saying that any interest passed at the time the notes were handed over to the bank. The cause of action is in England."

In another case, "*Maccall v. Taylor*," 6 Q. B. 374, the instrument was made in this form:—

"4 months after date, pay to my order or to the order of the value received.

To Captain Taylor, Ship 'Jasper',
St. Helens, London."

The instrument was accepted by W. T. Taylor, the "Jasper." It was held that this was not a bill, as there was no drawer's name to it; nor a note, as there was no promise to pay any one; it was an inchoate instrument, of being, but not in fact, perfected, and the defence was sustained upon it.

Reports of Joint-Stock Banks.

SCINDE, PUNJAUB, AND DELHI BANK CORPORATION, LIMITED.

At the ordinary half-yearly meeting of the shareholders in this bank was held at the London Tavern, on the 30th May; Mr. W. P. Andrew in the chair. The following report of the directors was read:—"The half-year ending December 31st last has been one of unusual risk and uncertainty to all banks connected with India. The rapid decline in cotton, and depreciation of East India produce generally, rendered it necessary for the directors of our bank to act with extreme caution, and restrict the branches in their operations, especially in the purchase of bills drawn against produce. The rates of discount which prevailed on this side from June to December of the Bank of England minimum having ranged from 6 to 9 per cent.), notwithstanding being accompanied by a corresponding increase in Exchange rates in England, were also severely felt by Indian banks in diminishing their receipts on such transactions. The accounts now presented in the annual statement have been duly audited, and show a gross profit of £1,062. 12s. 7d., including the balance brought forward from last half-year, after deducting interest on current and fixed deposits. From this £14,551. 16s. 3d. has been deducted for current expenses, and £1,008. 4s. 11d. for rebate on bills and commission on acceptances running, £428. 9s. 6d. for 5 per cent. on preliminary expenses, and £366. 8s. 2d. for bank premises redemption fund, leaving a balance of £3,707. 13s. 9d. to the credit of profit and loss. The shareholders will not expect that the bank can have passed through the exceptional period which has proved so disastrous to many houses in the Indian trade, and during which all Indian banks have suffered more or less, without being similarly affected. The actual losses on bills unpaid during the currency of the half-year ending December 31st last amounted to about £4,000. Since the above period, however, losses have been incurred from the suspension of firms, which, it is estimated, absorb the sum at the credit of profit and loss and the reserve fund, leaving £5,238. 8s. 1d. still to be provided for. During the present half-year Mr. Thornton, Mr. Boyd, and Mr. Worms have ceased to be directors. The board recommended that only one of the vacancies so occasioned be filled up, and they are taking steps with a view to a suitable selection. The directors retiring by rotation, Mr. W. P. Andrew, Harry Borradaile, and Mr. W. Dent, jun., being eligible, offer themselves for re-election. The auditors, Mr. W. Dent and Mr. J. E. Anderdon, retire, also offer themselves for re-election."

Balance-sheet, December 31st, 1864.

LIABILITIES.

Dr.

Capital—Authorized 50,000 shares, £20 each, £1,000,000; issued 37,500 shares, £10 per share paid up, £375,000; 12,500 of which are taken up, and 8,889 £2 per share paid thereon, £17,788	...	...	...	£392,778	0	0
Dividends payable, £1,198,712. 14s. 6d.; current and fixed deposits, loans, and other liabilities, £493,650. 7s. 7d.	...	...	...	1,697,363	2	1

Rebate and commission adjusting account—For
 rebate at 5 per cent., and commission re-
 profits, to be carried to credit of next pr
 account
 Bills discounted, not matured at 1st of
 £191,292. 17s. 7d. ...

ASSETS.

Cr.

Cash at bankers and on hand, £97,422. 2s. 10d.
 India and in transitu, £54,009. 13s. 7d.;
 securities, £172,419. 5s. 6d. ...
 Bills receivable, £1,608,133. 6s. 10d.; loans and
 (including £28,562. 13s. unadjusted balan
 the branches), £141,241. 2s. 7d. ...
 House property and office furniture in London a
 Preliminary expenses account—Balance 30th
 . and amounts added since, £8,569. 10s. 9d.;
 cent. written off, £428. 9s. 6d. ...
 Profit and loss account ...
 Balance at debit as below

PROFIT AND LOSS ACCOUNT

*For the half-year ended 31st December 1864**Dr.*

General charges of head office and branches
 Preliminary expenses account (5 per cent. writte
 Bank premises account (amount written off)
 Rebate and commission adjusting account :—For
 per cent., and commission on current bills
 Balance carried down ...

To amount required to cover the estimated loss
 ceivable, current at 31st December, 1864

Cr.

Balance from 30th June, 1864, £4,909. 14s. 7d.
 commission adjusting account, from June
 £10,502 10s. 0d. ...
 Gross profit at head office and branches, after
 interest on fixed and current deposits

Balance brought down, £3,707 13s. 9d.; reserved
 brought forward, £24,674. 1s. 6d.
 Balance carried to balance-sheet ...

RESERVED FUND.

Profit and loss account, as above	...	£24,674	1	6
		<hr/>		
1864	...	£3,896	1	6
7,889 shares, at £2 per share	...	15,778	0	0
1,000 ,, £5 ,,	...	5,000	0	0
		<hr/>		
		£24,674	1	6
		<hr/>		

moving that the report be received and adopted, said means convey the gratifying results which the directors before the shareholders; but he thought the observance had have the honour to submit to them would lead them that if they had to go through the same period again not use more discretion, diligence, or energy, than they putting to a successful issue an institution which was such particularly favourable auspices. Although he gratification from the circumstance, still he could not t they had not incurred losses any thing like so large y some other banks connected with India or the East. hat, he might mention, as a matter of his own know- ells of this company which were now in suspense, put ount to as much as the bills held by one bank on one) He would tell them the causes which had been so progress of the bank arose from gross errors; for he d not mince matters, or to conceal anything from the rs.) He had been through life a most straightforward n, and he felt confident that if the directors retained the ppropriators—and which, if honourable dealing deserved ue to retain—they would be able to retrieve the past, t successful and flourishing institution. (Hear, hear.) s now under the consideration of the directors for ank, for enlarging the scope of its operations, and for d not had hitherto—proper management. He did not aker himself, to be acquainted with the details of the ssessed as much knowledge as any man of the commerce ndia and the East; and he was sure that what had rto were men under him to manage the details. prospect of having efficient managers for working f the bank; and as showing the estimation in d, even in their present adverse position, he might rs had received overtures for arrangements with other ure which must necessarily improve the stability and mpany. He could not at the present moment go into circumstance of his disclosing them might have n negotiations which had only recently been opened. d to receive, as they should test on this occasion, the ce of the shareholders, he had no hesitation in saying o have the honour of calling them together again, and s which they would receive with acclamation. That he desired on this occasion that they would testify they might make, and by the trust they would place

in the statements made to them, that they appreciated directors who, like himself, had adhered to the (Hear, hear). There were three directors whose names were in the report as having left the company. He must mention Mr. Thornton, his excellent and highly esteemed friend, whose resignation was placed in his (the chairman's) hands at the meeting, and had nothing whatever to do with the matter connected with the bank. It was entirely owing to the pressure compelling him to abstain from business, and to pay (Hear, hear). With respect to the other two gentlemen, Mr. Boyd and Mr. George Worms—he would only state that he was surprised, and considered it a matter of great regret that they had chosen such a moment to retire from the board. (Hear, hear.) On this subject, the chairman said the losses up to the end of the year were fairly placed before them in the report; and looking to the future, he felt they would at once say to themselves that the losses not sustained these losses the profit derived is totally sufficient to embark on.” He would state at once that it was his opinion that the state of affairs were likely to last he should be the first to see the concern be put an end to. (Hear, hear.) But the state of affairs were entirely exceptional. The high rate of discount, the increased rivalry in India, not only in the business established when this company was inaugurated, but the schemes, financial and banking companies of all kinds, which had been brought into competition with this bank, were such that the profit to be got out of the business that they did not feel this so much that they had given instructions to the directors as much as possible; in fact they came to a resolution to withdraw from business altogether, to maintain their resources, in the exceptional state of affairs had passed away. They had not been attended to, or if they had been, they would not have been able to meet their losses. He did not think they would have obeyed the instructions had been obeyed. Their managers, their directors, felt resentment, and stated that they must do as other banks did. Consequently they had commanded them, and they threw up their appointments. They had been paying £1,000 and £1,200 a year got out of the business from some of the other companies. The state of affairs had been unprecedented. They had all heard of the fact that £100 shares were worth £1,000 in the market; but the fact that £100 paid had been selling freely at £4,500. This state of affairs had affected not only those who had speculated in the shares, but the managers of banks and other institutions. The first thing that occurred to him was, that the report stated such a state of affairs have been sustained up to the end of the year; and he would say—for he was not going to blink the question—that the report to plaster over an unsound wall—that large loss since that report was made up. At the same time he would remark that the depreciation in the value of the shares was beyond any amount they could make out as a result of the (Hear, hear.) They had narrowly scrutinised the bank within the last few days; and it was his opinion that instead of a loss, as would appear from the value of the shares per share, the loss did not amount to more than

the institution itself. If he had the confidence hoped they would in these matters trust to him, not their confidence he was most willing to occupy the seat he did, as chairman of the bank, not only to be listened to, but to have questions not be derogatory to the position he occupied.

Mr. Minton was thankful for the answer and repeat that he had no intention to mix up speculations, but, as prudent men of business, they of a crisis not to undertake anything which was and he was therefore surprised to find that the last six months undertaken a business which of the reserve fund. As men of business they security. He had also to complain of the inaction by the mildest term, of the directors in setting recent advertisements that the reserve fund £24,000. It would have been much better if altogether left out. He had no wish to throw [A voice—"You could not do it."]—but he did an amount of profits should have attended so.

Mr. Hedgcock said that as men of business to have confidence in the directors, who had a and in their own property. It was an exceed the foundation of a sound and promising business home, and they ought to feel grateful to the accomplished for them that object without in any way. They had now a good working basis, and the bank give them £7,000 in hand. If, like the directors they would soon see their shares at a premium.

Mr. Young had every assurance in the future believed it would yet be a great bank. He gave confidence, but he hoped they would put a check on India by the appointment of an inspector, or

Mr. King was sure they must all go away in the manner in which their questions had been answered sent some misapprehension as regards the Indian but he was gratified to hear that, so far as the losses were not by any means equivalent to the taken place in their market price. That being they were now passing through that stage which tion with which he was acquainted had to encounter greatness. He was sure his friend Mr. Minton motives put his questions to the chairman, and the unprecedented difficulties with which the bank They enjoyed the full confidence of the meeting that they should also enjoy the full confidence shareholders should make it apparent that the Scinde, Punjaub and Delhi bank. If they unanimously, then they would soon see their estimation.

Mr. Conybeare thanked the chairman and their duty by sticking to the ship in stormy weather deny that the present state of things was a disappointment. It was a disappointment to him and the other

And the hon. proprietor forgot that this was an Indian, bank, and that it was that very circumstance of the bank in this country which narrowed the margin, and, of course, the amount of their profits. They had, too, been unfortunate managers, who, however, notwithstanding their mismanagement, were paid up by other banks at much higher salaries. With

these banks, which were numerous in India, they had not by any means an unoccupied field to carry

After some further discussion of a desultory character, the important declaration that several of the directors were increasing their holding in the bank, and that many had purchased as many as 300 shares, the report was adopted by the directors and auditors having been re-elected, the meeting terminated in the usual manner.

BRAZILIAN AND PORTUGUESE BANK

THE second annual general meeting of the proprietors of the bank premises, No. 13, St. Helen's-place, Bristol, took place on the 30th May; Mr. Frederick Rodewald, the chairman, presiding.

The report was taken as read. It stated that the bank had not but owing to losses it was deemed necessary to carry a reserve account £47,000, so that the entire profits of £19,716 had to be provided out of the profits of the year.

The Chairman, in moving the usual resolution of thanks to the directors and auditors, reminded the proprietors that the bank commenced at Rio on the 1st of March last, and that in six months the local directors appeared to have acted with due regard to prudence and in accordance with the instructions committed to them. Making allowance for the difficulties of the establishment of a new bank, the board at home was satisfied with the accounts made up to the end of the year. The interim division of profits was under consideration. The financial crisis at Rio, which commenced on the 1st of March, first it was thought the convulsion would be of a temporary nature; in that opinion they were confirmed by the assurances of the local directors; but it was pointed out in letters by the local directors that the assurances were general, and contained no actual facts of failed firms to the bank. This communication was received by the local directors, and it was found that they had been of the bank by attempting to support one of the local directors. The board at home felt it to be their duty to accept that the local directors also came to light, which showed such a divergence of opinion that the restoration of any harmonious action for the time being was hopeless. Mr. Gallop was therefore sent out to arrange matters for the interest of the bank, and he might be appointed in the local direction and the bank might be interrupted. In carrying out this difficult and delicate task, he displayed as much efficiency as good tact, and the local directors at Rio, being in accordance with the views of the directors at home, it was thoroughly believed, lead to very satisfactory results. It would obviate the risks and losses unavoidable in the management of the bank. The losses at Rio had by no means been confined to this bank. They had resulted from the same cause prevailing there; and the error of the local directors in following public opinion, and disregarding the views of the directors at home, committed to them from England; but although much to be regretted, it was closely the example set by the other banks, he was

Reis, one of the former directors at Rio, who was present, stated through Mr. Yule, to show that the local directors had no favour or affection towards friends. They had simply been mistaken as referred to by the chairman; and having every confidence in the future success of the bank, they should remain large shareholders, and render it all the support in their power. Mr. Yule then asked whether Senor Don Reis thought it would be to the interest of the bank if an amalgamation were effected between the Rio and Brazilian Bank.

asked if the directors considered themselves justified in
 on upon this question.

and was unanimously adopted, and Messrs. Young, Lloyd, auditors, having been re-elected, the proceedings closed thanks to the chairman and directors.

ing of this company was held on the 2nd June, at the
William Fane De Salis, Esq., in the chair.

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divisible profit this year was nearly £1,000 larger than they considered these profits had been earned under if not adverse, had certainly not been favourable banking operations and trade, he thought shareholders be satisfied with the result. (Hear, hear.) In the to contend with a very severe competition in the place, the year in which these profits had been earned commerce had been very seriously disturbed world. In England large failures had occurred great fluctuations in the value of money and the other hand, a country with which Australia intimate relations, trade had been and was now strong. Now, although it might be quite correct that Australia in the same way as India or this country—for no had occurred there—it would be quite incorrect to not suffered at all. On the contrary, in this age communication the interests of commerce were so barely possible for one country to suffer without its neighbours, and in this way Australia had suffered indirectly. The great fall that had taken place in sympathy, acted upon the Australian wool market 3d., a pound lower than when they met last year, sound a small sum, it was a serious matter for a country upon its wool growing as Australia; in fact, it was owners all the difference between profit and no producing mining interest, second, if not superior, to wool also suffered. For the last two years India had produced whole of the gold produced by Australia; but, owing of commerce now existing in that country, its production been greatly, but he hoped only temporarily, the quantities of Australian gold were now on their India. It would be readily understood that the gold market was unfavourable to Australian regarded this bank, whose business it was to engage in and gold operations, it would be uncandid in to tell them that it must make a difference in the even temporarily, of so good a market as India. that under these adverse circumstances the year's they would agree with the board that there was a reduction, and also that profit so realised bespoke the success of the business, which could not fail to be gratifying to the shareholders in the institution. As regarded the general company's affairs in the colonies, he need only observe that the accounts received from the colonies spoke of the success of their affairs, and were of an encouraging tenor. they had much improved their position. The result there had not been such as gave the directors satisfaction, they had made arrangements to send there a gentleman with their Melbourne branch, Mr. Machardy, who promote the interests of the company could not do so. He was happy also to say that they had been able to board the services of Mr. Moore, an eminent merchant representative of the Peninsular and Oriental Company, with such assistance the Sydney branch would show the chairman concluded by moving the adoption of the

Mr. Foster Fitzgerald, in seconding the resolution, said he had listened with much satisfaction to the lucid and reassuring remarks which the Chairman had made as to the present state of their property and its future prospects. The earnings of the bank were not to be measured alone by dividend paid, for, in addition to the sums paid in the shape of dividends, the Directors had most judiciously established a reserve fund which now assumed large proportions, and in his opinion the time was not distant when that fund would have reached a sufficient amount, and an additional 1 per cent. might be divided.

Mr. Kintrea considered that the accounts justified the payment of a dividend of 9 per cent., and moved an amendment to that effect. In his opinion a reserve of £90,000 was sufficient for all purposes. He wanted to know whether the addition of £10,000 a year was to be continued after the fund had reached £100,000.

Mr. W. Botly said that having purchased his shares at a high premium, he was one should be very glad to receive an addition to his dividend, but although he concurred in a great deal which had fallen from Mr. Kintrea, he would hesitate to second his amendment unless it had the sanction of the Directors, by whose advice the proprietary body had always hitherto been guided, and in whom they reposed the fullest confidence. As regards the observations of the chairman, he appeared to place the wool and the export of Australia almost on a par, but he (Mr. Botly) inclined to the opinion that the wool export far exceeded that of gold in importance.

The Chairman said the reserve fund had formed the subject of discussion on a previous occasion, and a general feeling was then expressed that when the fund reached £100,000 would be the proper time to consider the augmentation of the dividend. Their competitors in the colony, with capital equal to their own, had established large reserved funds; for instance, the Bank of New South Wales had a reserve fund of £200,000; the Bank of New South Wales had a reserve fund of £250,000; and the Union Bank of Australia had only had established a reserve fund of £200,000, but had last year established a second reserve, in the shape of an insurance fund, which amounted to £5,000. In the face of these facts it was necessary on their part to add to their reserve fund, and when they had reached that point at which further additions could with prudence be dispensed with, the proprietors might rely on the Directors would be the first to propose an increase of dividend. The authorities on banking united in considering the establishment of an adequate reserve fund as a measure of paramount importance, and the prudent course adopted by the board in forming a reserve of a substantial character was, he might observe, one of the reasons why such confidence had been exhibited by the colonists in the bank, as was evidenced by the rapid progress and extension of its business. He trusted the amendment would be withdrawn.

Mr. Minton also urged the withdrawal of the amendment, in order that the question raised by it might be left with the board—the members of which were practically acquainted with banking business, and were entitled to the fullest confidence.

The amendment was withdrawn, and the original motion unanimously carried.

At the motion of Mr. Morrison, seconded by Mr. Gellatly, the Directors and Auditors were re-elected, and a vote of thanks having been accorded to the Directors, and to the executive staff in London and the Colony, the proceedings terminated.

BANK OF BRITISH NORTH

THE 29th yearly general meeting of the prop held on the 6th June, at their house; Mr. Cart lowing report was taken as read:—

“Your directors have pleasure in reporting t noticed in the report presented to the propriet hibited in the returus received from the bran maintained throughout the year, and that the re bank for 1864 is of a more satisfactory character notwithstanding that Canada has again suffered and from unremunerative prices in the United K produce. The business of the branches in No wick has been on the whole of a satisfactory ch at New York, although having to contend with g the derangement of the American currency, has results than for several previous years. On the of the bank continues to make good progress, an encouraged to extend their operations in that steps to open a branch at Cariboo, the seat o British Columbia. This branch, it is expected, business of the Victoria branch, as well as a sou bank. From the annexed statement of accounts providing for all bad and doubtful debts, the ne year 1864 amounted to £72,569. 16s. 3d., and the r profit amounted on the 31st December, 1864, to £ viding for the dividend that was paid on the 5th directors have now declared the usual half-yearly being at the rate of 6 per cent. per annum, and in priated the sum of £10,000 out of the undivided the rate of 10s. per share, both payable on and a free of income tax.”

The Chairman, in moving its adoption, s occasion he had not many observations to make ment of accounts showed rather more favourable meetings. When they observed the very sn which did not extend to as much as the paid obvious that the profits could not amount to the other banks the deposits in which came to five, to twenty times the amount of the capital on whic the last meeting in December the directors in that apparently the profits of the bank were in ment had been fully borne out by subsequent the end of the year obtained more profits than i was happy to state that, looking at their return this year from the various branches, they exh crease on the profits of the corresponding period. The directors hoped that that state of things wo the year. They did not however calculate on n equal to what they were last year, for the sim the rates of interest were exceptionally high in the latter part of the year. Whether that wou not know; but this he did know, that the amount

London was much less than at this time last year, and as the rate of interest at present was extremely low, that of course was advantageous to the company. (Cheers.) Having a smaller amount of money employed at low rates they had of course a larger amount in the colonies at higher rates. When they met last year they would remember that some remarks were made respecting the impolicy of employing money in the colonies at six or seven per cent. when money was at eight or nine per cent. here. But as he then explained, it was impossible to withdraw capital from the branches, from the fact that at the moment the rate of interest here was higher. Their business was established in the colonies, so long as the colonial legislature restricted the interest to six or seven per cent. they must continue to carry on their business at those rates. Of course, whenever money was low here the interest from the colonies would operate favourably, and they would reap the benefit; and, if it was high, advantage might be taken of that circumstance with respect to any capital that might be in this country at the time. He was satisfied by moving the adoption of the report and statement of accounts, and was very happy that he should be most happy to answer any questions which the shareholders present might wish to put.

Mr. McDougall congratulated the directors and the meeting on the satisfactory character of the report, and expressed his hope that the intended dividend now proposed would be kept up. He certainly should have been better pleased had it not encroached on the reserve of £100,000, but it would do, though slightly; and he hoped that in future no dividend would be declared that would touch the reserve. With reference to the rate of interest permitted by the colonial legislature, he expressed his opinion that, on the expiration of the charter four years hence, the shareholders would find themselves under the paramount necessity of turning up the affairs of the bank, and no steps ought to be neglected by the directors to induce the Canadian legislature to abrogate the usury laws and to allow commercial enterprise the same free scope for its extension as in this country. They could not conceal from themselves the fact that unless those laws were altered by the time the charter expired, there would not exist in those colonies sufficient field for banking to make it worth their while to carry on the present concern. Reverting to a matter of account, he observed that he took the liberty last year of alluding to the item in the liabilities of "reserve to meet bad and doubtful debts," and, he thought, ought to have been deducted from bills receivable, and from securities, and he certainly understood from the hon. chairman that the same course would be adopted in future.

The Chairman in reply said, that the statement that the dividend had been paid out of the reserve of £100,000 was erroneous. On the 31st of December last, after setting aside £30,000 to pay the dividend on the 5th of January, the clear actual surplus was £132,000. Of that sum they had appropriated, by way of bonus, £10,000, being 10s. per share, so that the actual reserve of undivided profits was £122,000. The hon. proprietor had intended to think that they now proposed to pay £30,000 out of that specific reserve, but he had forgotten that between December, 1864, and the 30th of January this year, they would have made more than £30,000; therefore, the reserve would be virtually £122,000. He could not at all concur in the opinion that on the expiration of the charter they would have to wind up the concern. (Mr. McDougall: I only meant conditionally.) For his part, he had always found that the majority of the shareholders preferred to have a re-

gular and steady dividend than for it to be the profits at one time being very large, and at all. (Cheers.) With reference to impressing the importance of making some alteration in monetary laws, all he could say was, that during his visit of the Canadian ministers to this country with them, and to urge reasons which must strike this country to induce the members of the Canadian bank to alter the existing usury laws. In reference to the item of a provision to meet bad and doubtful debts, he accounted for in some way or other. It appeared that the hon. proprietor on the item in question was of the mode of stating the accounts, and he could not alter the present system.

Mr. M'Dougall said that the system he recommended of the amount credited on bills received in this mode, because he thought it inadvisable to inform the shareholders of such a large sum to meet bad and doubtful debts.

The Chairman replied that that was certainly the present mode of drawing out the accounts was of the express wish of the shareholders; of course if they kept another way it would make no difference.

A Shareholder inquired what were the prospects of the bank on the Pacific coast.

The Chairman stated that, as mentioned in the report, the bank had a branch at Vancouver's Island, and the agency at San Francisco. They had determined upon expanding their operations by establishing an agency in the mining district.

The report and statement of accounts were then read, and the retiring directors were re-appointed, Mr. Jaffray being unanimously chosen to fill the vacancy at the death of the late Mr. A. W. Jaffray.

A cordial vote of thanks to the chairman and directors of the bank, closed the proceedings.

NEW ZEALAND BANKING CORPORATION

The third half-yearly general meeting was held at the offices, in Cushion Court, Old Broad Street; Mr. Jaffray in the chair.

The report, which was taken as read, gave a dividend of £3,532, and recommended a dividend at the rate of 10 per cent. being £467 to be carried forward.

The Chairman observed that since the last meeting the most important change of name from the New Zealand Bank to the Commercial Bank of New Zealand. This change, however, been carried into effect only in the colonies, by the colonial legislature authorising it not having been done in this country, and until it did the original name was retained. The change of name they had obtained the privilege of was a valuable one, as making the capital of the bank more valuable if their transactions were required in all countries. The appointment of the local board was then discussed in the report. At present that board consisted of five members, partly because the bank was as yet a small one, and

ult to obtain men of such high standing as the two gentlemen who been appointed. In accordance with the wish of the shareholders, the ants had been audited in the colony by Mr. Stevenson, the professional antant at Dunedin, instead of leaving it to the ordinary routine. ything was therefore satisfactory on the other side, and as it was ally so on this, he had very little doubt that they would continue in ame prosperous course as they had hitherto proceeded. He concluded owing the adoption of the report and accounts. e Lord Mayor seconded the motion. e reply to a question, e Chairman stated that the directors in New Zealand were required ld the same share qualification as those on the London board. . Hardwick (a director), answering further questions, said that the ase of profits in the last half-year had been £1,763, which enabled o pay the same rate of dividend upon a larger amount of paid-up al. The available assets of the previous half-year had been increased emiums on shares. e motion was agreed to unanimously, and the dividend at the rate of r cent. per annum declared. e auditors were re-elected, and 25 guineas each awarded for their eration. e usual compliment to the chairman and the other directors closed e proceedings.

LONDON AND BRAZILIAN BANK.

extraordinary general meeting of the shareholders was held on the June, at the London Tavern, Mr. Cater in the chair, for the pur- of considering, with a view to their confirmation, certain resolutions ere agreed to at a meeting held on the 11th of May last. e Secretary having read the resolutions, e Chairman proposed that they be confirmed, and said he should be to answer any question respecting them. e shareholder inquired whether Baron Maua came into the bank on the terms with themselves—that was to say, with a subscribed capital of one million and a half, whilst they subscribed one million: and er he paid £7. 10s. a share in money or negotiable securities as the olders of the bank paid. e Chairman replied that Baron Maua entered as a partner *pari passu* themselves, he and his colleagues having three-fifths, and the share- of the company holding two-fifths of the capital at £7. 10s. per share. e persons were disposed to ask what inducement the baron could have ne into the concern. He had the inducement of placing such a concern in safe custody, and participating in the profits they made. It was a and take arrangement, and he thought it ought to be satisfactory to urties. e reply to further questions, e Chairman said there was no limit to the circulation of the bank, t that for every £750,000 of notes issued they should have £250,000 ecie; but he hoped the circulation would not exceed the wants of ountry. There was no objection to issuing a pamphlet containing the of the agreement, and a report of the last two meetings. e motion was then agreed to and the meeting separated.

NATIONAL PROVINCIAL BANK

A SPECIAL general meeting of proprietors was held at the London Tavern, Mr. Laurie in the chair, to the effect of now authorising the court of directors to employ bankers in London, and at places not exceeding 50 miles from London, soon as they may think fit, and for that purpose to make such advances and to comply with such obligations as may be imposed by Parliament respecting banks of issue, or if the directors think it desirable, for the purpose aforesaid, to discontinue the issue of bank notes, and to pass such resolutions on the subject as they may think proper upon."

The Chairman said—I cannot help feeling very much gratified at the circumstances under which we meet to-day, and the honour of addressing you from this chair, and the probability that a measure of relief which would remove these restrictions, which every one who has disbelieved in, and which I believe, admitted to be most unfairly imposed upon the public, absolutely become law, at all events passed beyond the power of its progress through the legislature, and that may be considered a very pleasant one of congratulating you on our successful exercise of our newly acquired freedom. It is a great step in the causes by which a bill, not obligatory, but permissive, to restore old privileges, but conferring fresh rights—supplied by the Government having received the assent of those who officiate in the House of whom it affected, has been defeated in its very last stage in the Commons, which it had reached without even a dissenting voice. I am glad to say that I think we were fully justified in the course of deliberation which we entertained. In respect to the course of deliberation, your directors have determined to do what they perhaps act wisely if I confined myself to the matter of the bill which I have been instructed to lay before you. At the time at which you will arrive, I do not, after the wishes at the meeting last year, anticipate much change of opinion. Having been now for so many years one of your directors, and on this subject a very anxious consideration, I have been convinced which have convinced me of the very great importance of the necessity, of extending our operations to the whole of the country, which might not be entirely uninteresting to the public. On the question of circulation I must confess that I have been convinced we have very much overrated its importance. It is a good advantage in our operations in the country. It is a good advantage in the money value is in relation to the present growth of the country. Quite, I think, unworthy of consideration. In the establishment it was, of course, a matter of importance. It is grown it. Since the Act of 1844 it is stationary. It is stationary our growth or advance with our progress. When the rate of interest is unusually high it is, of course, more valuable than when it is low. It gives us no such advantages, and indeed the agency and the usual compensation from the public does not very nearly meet the deficiency which the loss of interest on the occasion in your profits. I was more especially anxious to be entirely masters of our own affairs, and independent of the interests might not always coincide with our own.

I am to bear the fullest testimony to the accuracy, courtesy, and integrity with which our present London agents have acted in all the transactions which have been entrusted to their care; but it must be obvious that there must always be inconvenience in introducing our customers to establishments whose very excellencies may make them dangerous rivals. It is also no less certain that the high reputation enjoyed by us already at once brings us an ample accession of business in a more extended field. Amidst the numerous new financial undertakings now arising on all sides around us, we must come at once to the front, if we would not run the risk of seeing others seize the place which should be ours. Such, gentlemen, have been the grounds on which I have arrived at the conclusion that, even at the sacrifice of our circulation, the best interests of the bank require that we should extend our operations to London; and it now remains for you, in the words of our lamented friend, Mr. D. Robertson, to decide upon the adoption of one of two courses—either a policy of prudence suited to the times, which, with good management, must be followed to secure a great accession of banking prosperity or a policy of indifference, under which, in my humble opinion, the bank's onward career would be seriously impeded and its future prospects greatly impaired. I have now to move that the following report be adopted:—

In the report adopted at the annual meeting in 1864, the directors expressed their views in the following paragraph:—‘The directors have arrived at the full conviction that the interests of the bank require that its operations should be extended to London at the earliest possible period, and they trust that measures may be devised to effect that object. There are some technical difficulties which the directors would wish to see removed before calling on the proprietors to sanction such a course, but they have no hesitation in assuring the shareholders that they will allow time to be lost in unnecessary delay.’ And again, in the report adopted on the 11th ult., reference was made to the subject. The technical difficulties alluded to were removed by act of parliament at the instance of her Majesty's government in the session of 1864—acting in compliance with the representations of the directors. The communications then held with the Chancellor of the Exchequer led to the hope that the restrictions now imposed by law upon joint-stock and private banks of issue might be removed during the present session, and the directors resolved to await the decision of parliament upon a measure introduced for that object. The ‘Banks of Issue Bill,’ introduced by the Chancellor of the Exchequer, was carried to a stage when there seemed every prospect that its provisions would have become law; but, prior to the third reading, the united opposition of the London bankers, and of a section of the country banks of the north, proved so strong that the Chancellor of the Exchequer withdrew the bill on the last Thursday evening. Under the provisions of the bill, banks of issue would have been empowered to carry on business in London, or within sixty-five miles, to increase their number of partners beyond six, and to transfer their right of issue to other banks, and, in return, would have been required to pay to the Treasury one per cent. on their issue, and would have been taken a lease terminable at the end of fifteen years, unless parliament should otherwise determine. To such terms the directors gave their assent, and hoped, when they last met the proprietors, to have been able to induce them to give powers to come under the provisions of the bill. By the withdrawal of the bill, and the practical defeat of the attempt to remove the restrictions, the directors are thrown back to the position in which they were when they first expressed their convictions that the interests of

The Chairman said that their note circulation in 1844, and as they were aware, the act of that year made **except** the Bank of England. He apprehended, pulsory, that they would receive as usual, from allowance of one per cent. on at least two-thirds issue when they relinquished it. He hoped, indeed. Then they would save the expense of agency, would be 1 per cent. on the amount of circulation present paid no interest, and the further loss of

which they would have to keep in hand beyond the necessary to keep now.

thought that taking money at 4 or 5 per cent., the value was about 3 per cent.

believed that the advantages arising from increased business expenditure would more than counterbalance any loss

Mr. Paull stated that one of the branch managers had estimated that the withdrawal of the power to issue notes would cost £24,000 per year.

thought that the outside loss, taking money at 5 per cent. on the outside average value, would be £24,000 a year. Coming into consideration the actual loss on the circulation of interest upon the additional sum they would have to reserve; but against this there would be the allowance for the saving of expense in London, and that would of itself be sufficient to make up the entire loss, business, and the deposits which they would have, but not by them.

was carried unanimously.

then moved a resolution empowering the directors to do business in London, or any place within 65 miles thereof, and to discontinue the issuing of bank notes.

and by Mr. Paull, M.P., and carried unanimously; and the chairman and directors concluded the proceedings.

Buenos Ayres, and River Plate Bank, Limited.

A general meeting of the shareholders of this bank was held at the Sea House, City, on the 19th June; Mr. Hackblock in

(Mr. A. E. Smithers) having read the notice convening

stated that this being an extraordinary meeting no other business was done than to declare the *ad interim* dividend. This was called very much against the wish of the directors, who considered it inexpedient to hold one at present, but a letter having been received from a large body of the shareholders, the directors in obedience to the wishes of the subscribers to that letter had resolved on holding the meeting. He had stated to one of the subscribers the reasons why it was inexpedient, and quite contrary to the custom of exclusively holding such meetings in London. The articles of association only required them to hold a meeting when the board published a statement of accounts, but on this occasion it was impossible to do so. The business in the River Plate was transacted in the first half of the financial year, and it would interfere greatly with their audit now, for it really was a very troublesome affair dealing with different currencies which they would have to go through. He trusted that the board hoped that it would not occur again, because they really could afford the shareholders no *ad interim* dividend might just as well be declared by a general meeting of the shareholders as at an extraordinary general meet-

ing. It had been stated to him that the ob-
ing at the present time was not for the purp-
and audited statement of account, but that the
satisfied with knowing something of the affairs of
asked them for their forbearance in not pro-
because he should be sorry to refuse to give them
he did, the opinion that they were at all times er-
tion which could be properly given to them. Of
details which it might not be prudent to enter
present moment; therefore the shareholders were
reasons if he should decline to answer any particu-
be put to the board with respect to their affairs.
that as far as Buenos Ayres was concerned their
continued and uninterrupted success. The rates
the last meeting had been very high, and their cor-
responding amount of profit. There had been no
failures, but he was happy to say that prior to the
acting upon the knowledge it had received of dis-
had deemed it expedient to provide for any such
during the present year, and he was happy to say
made had proved amply sufficient to cover all
time, and that their business, under the care of
manager, had been progressing quite as satisfac-
torily as expected. (Cheers.) With regard to Monte Vi-
deo, under one of the severest calamities that could be-
fall a country, the civil war. Under those circumstances they had
given instructions to their agents to abstain from doing
such as could be transacted with entire safety.
He informed them that, to the great credit of the
instructions had been fully carried into effect,
the banks of issue having suspended specie pay-
ment, suffered some little loss on exchanges, the balance
on the whole, terminated in a profit, and not, as
would be the case, in a loss. (Cheers.) He had
seen their future prosperity in Monte Video, in consequence
of which he had carried on a large business there as
agent, and transferred the business to them.
They had felt it necessary to make a little
adjustment at Monte Video, in consequence of some
differences between that branch and Buenos Ayres, and the board had
settled them. Those differences were now at an end,
and in future the two branches would work harmoniously.
He only further to say that they expected to hear of the
next month, and from his advice, and the personal
relations of the officers of the bank would have with him, the
receiving great advantage from his extended
experience, which could not but be productive of great good
to the shareholders. (Hear, hear.) The board, at
their meeting, declared an interim dividend of 5 per cent., which,
in December last, made the year's dividend at 10 per cent.,
and they had no doubt that not only would they be main-
tained in future, but, without pretending to pre-
dict the future, he thought that from the progress
of their affairs, they would be able to ad-

erve fund, and also to declare a very satisfactory bonus. (Cheers.) In conclusion, he said that he should be happy to answer any questions that could, consistently with his duty, and with the general interest of the shareholders.

Mr. Sichel said, that as one of the persons who had signed the letter to which allusion had been made, and which expressed the opinion of shareholders holding something like 2,000 new shares, he thought the meeting of that day had answered every purpose for which it was intended, because, at a time when their property was depreciated by disturbances in the River Plate, and when the slightest rumour, however unfounded, was calculated to bring the shares down, it had enabled the chairman and the board of directors to give an assurance to the shareholders that the prospects of the bank had been satisfactory, and that they could honestly and fully declare an ad interim dividend. He was sure that the shareholders would be much gratified at the statement they had heard, and he had no wish to press for any detailed explanation on questions which the board thought it would be injurious to the interests of the company to discuss.

The Chairman said he should be most happy to answer any questions, but he certainly did not think, in the present state of affairs, it would be expedient to go too closely into matters. He would take this opportunity of stating that Mr. Ruding, in leaving the service of the bank, carried with him the highest respect of the board, and they felt perfectly satisfied with the care and prudence he had manifested in the late emergency. He was on his own resignation, and it was due to him that the board should make this acknowledgment. They had applied for certain extensions at Monte Video, which might hereafter render an addition to their capital necessary, but the matter was not a pressing one, and he should be glad to hear the views of the shareholders on the subject.

Mr. Sichel reminded the chairman that at the last meeting a pledge was given that if more capital was required it should be raised in the shape of new shares, to avoid the contingency of making a call. He thought the general feeling of the shareholders was, that whenever new capital was issued it should be at such a price as would add to the welfare of the company by increasing the reserve fund. A call on the old shares would only have the effect of lowering the market value, by causing great many sales, and he was afraid that if new capital was at present brought in it would scarcely realise its market value; but one thing was certain, that new shareholders ought not to be allowed to come in at a lower price than the old shareholders. If, therefore, new share capital was issued it ought to be at a premium, which should go to the reserve fund.

The Chairman admitted that such a pledge as that alluded to had been given, but as the question had been raised he had mentioned it for the purpose of ascertaining the views of the shareholders.

A Shareholder said that he understood Mr. Bruce to say at the last meeting that no further issue would be made until £10 was paid up on the old shares, and another £2. 10s. on the new.

The Chairman explained that what Mr. Bruce said was, that there would not be more than £40 paid up on the £100 shares, and £10 upon the £25, which would be equivalent.

The ad interim dividend of £5 per cent. was then declared, and a cordial vote of thanks to the chairman and directors terminated the proceedings.

BRITISH LINEN COMPANY.

At the general meeting of the proprietors of the Bank, held at Edinburgh on the 19th June, the balance-sheet of the books on the 15th April, with the reports of the directors :—

LIABILITIES.

Deposits	...	...	...	...	...	...
Acceptances by the company and their London corre-						
and letters of credit outstanding	...	...	...	...	...	...
Notes in circulation	...	...	...	...	...	...
Capital	...	...	...	...	...	...
Reserved fund or rest	...	...	...	...	...	...
Net profit of the year to 15th April, 1865, after fully						
for bad and doubtful debts	...	...	...	...	...	...

ASSETS.

Advanced on cash and credit accounts	...	...
Bills under discount	...	...
Bank premises at Edinburgh, and the branches	...	...
Government stocks, short loans in London on g-		
securities, and cash balances with London corre		
£1,577,400. 4s. 9d. Stock in the Bank of		
and other stocks, bonds, railway debent		
£992,162. 7s. 7d. Gold and silver coin, no		
Bank of England, and other banks, £426,876. 1s.		

After declaring a dividend for the year of 11 tax, which absorbs £110,000, the meeting £41,642. 9s. 7d. to be applied as follows :—In re bank houses and offices, £10,000; in reduction of ment funds, £10,000; to be carried forward £21,642. 9s. 7d.]

SOUTH AUSTRALIAN BANKING.

THE twenty-fourth annual general meeting of South Australian Banking Company was held at bank offices, Old Broad Street; G. Martin, Esq.

Mr. W. Purdy read the following report and s

“The court of directors have the satisfacti Australia continues in a sound and progressive resources of the colony are being developed, and it The agricultural interest has been particularly prices for wheat and flour, and one of the imme bring a greater acreage under cultivation. Wit has enlarged the area of its business. The cour

done so with safety, as operations have, for the most part, been based on the staple productions of the colony, and are always conducted with a regard to the security of the assets. An increase of banking accommodation, however, has been witnessed, which has tended to produce a lower rate of profit than might have been expected; but this bank, it is believed, will be able to meet any undue competition, should such arise, without material prejudice to its resources. Two new branches have been established; one at Moonta, which is an active mining district, and the other at Tanunda, to afford facilities to a German agricultural settlement of much promise. The court have to regret the decease of their late Chairman, Mr. Edward Divett, who for many years presided over their operations, and they feel assured the proprietors will concur in their appreciation of his high character, well-informed judgment, and the excellent services rendered by him during his long connection with the bank. The accounts, duly audited, are annexed, and from the balance of the year the court have the pleasure to recommend a dividend of 10 per cent. per annum, free of income-tax, payable half-yearly."

Balance-sheet, 31st December, 1864.

LIABILITIES.

Capital	£105,700	0	0
Deposits and current accounts	464,205	16	4
Loans due to colonial banks and other liabilities	206,599	15	6
Accounts payable	157,655	9	11
Capital paid up	500,000	0	0
Reserve Fund	104,400	0	0
Interest on ditto	5,600	0	0
Profit and loss... ..	52,890	1	2
	£1,597,051	2	11

ASSETS.

Gold and bullion	£166,425	3	3
Accounts receivable and securities	1,050,169	13	11
Loans due from colonial banks and other assets	252,591	14	4
Bank premises... ..	18,314	11	5
Investments for reserved fund	109,550	0	0
	£1,597,051	2	11

PROFIT AND LOSS ACCOUNT.

Dividend, July, 1864... ..	£25,003	2	4
Interest, January, 1865... ..	25,003	2	4
Balance this year	52,890	1	2
	£102,896	5	10
Balance last year... ..	£53,776	3	3
Profit from all offices	49,120	2	7
	£102,896	5	10

The Chairman, in moving the adoption of the report and accounts, said, "I regret to say that they had last met they had sustained a great loss by the death of Mr. Edward Divett, whose loss the directors felt as deeply as any body of

men could do. He was a man fully acquainted with the bank, and whose conduct was universally approved by every one who happened to make his acquaintance. During that period no chairman of the company had taken the chair that day at the request of his knowledge was not at all equal, relative to their late chairman. Since they met last, chairman place in some parts of the arrangements of the bank at Adalaide, Mr. Dixon, on account of great business, leave the colony for a short period, and had called on them, and they had great pleasure in inducing Mr. Dixon to stay for a short time. They had also felt great pleasure in Mr. Stirling, who would be the successor of the old chairman. Mr. Stirling was a gentleman who had a considerable banking business in the colonies, and from his great capabilities, it was of great importance to the board, well acquainted as he was, by residence in the colony with the various parties with whom they had to do, no doubt they would derive great benefit from the assistance of him amongst them (hear, hear). With regard to the report stated very fully how that stood. The year was a prosperous year, though they did not think the profits were so large as they ought to be, considering the state of the colony, but they had made, notwithstanding, a profit which would be well satisfied (hear, hear). South Australia was in a prosperous and progressing condition. That was stated in the report in that shape to satisfy anybody that might be inclined to doubt. They had prepared a comparative statement of the year's business which would show how much the colony had increased. In 1863 was 140,000; in 1864 it was 148,000. The imports in 1863 were £2,358,817; in 1864 they were £3,305,546; or an increase of £966,729. The imports in 1863 were £2,028,279; and in 1864, £2,358,817. The revenue in 1863 was £625,000, and in 1864, £635,000. The exports in 1863 were £635,000; in 1864, £612,000. The banking deposits in 1863 were £181,084; in 1863, £269,000. Banking deposits in 1863 were £777,000; and in 1864 they were £1,158,000. The savings in 1863 were £261,000; and in 1864, £327,000; an increase of £66,000. The savings in 1863 were £2,079,000; and in 1864, £2,266,061. The savings in 1863 were £189,063; and in 1864, £231,800; the increase was £42,737. and in 1864, £245,000. So that by every measure the prosperity of the colony was shown to be progressing. The bank last year was extremely favourable. In the year ending 31st December 1864, the balance for division was £2,000 more than this year. This year enabled them to offer a dividend of fully 10 per cent. a great reason to hope that it would go on as for the business the bank did, and that the profits were increasing. At one time anticipated they would be, they were, on the whole, very satisfactory to the directors, and he trusted so by the shareholders. So far as they had any liabilities of the bank, they were all safe. No reason to be disappointed to their expectations during the year, and they were well satisfied. (Hear, hear.) He begged to move the adoption of the accounts.

Mr. Kerr begged to second the motion.

Mr. Morphett asked, of the profits of last year how much was made in the colonies and how much at home. He also wished to know in what securities the reserve fund was invested.

The Chairman thought that these were matters for their discretion.

Mr. Morphett asked whether there were any branches established without authority from the home board.

The Chairman said there was a little complication, but the establishment of new branches was sanctioned, but sometimes they were obliged to establish a branch before they could assent or know of it.

Mr. Morphett asked whether the board in London were aware that in the last balance-sheet the local directors and managers had struck off all the bad debts, and reduced all the securities to their proper value.

The Chairman said they had used every possible precaution, and they were satisfied they were fully covered.

Mr. Morphett said the proprietors ought to come to some decision as to whether the reserve fund was of a sufficient amount. It was fixed at £100,000, or one-fifth of the whole capital, and it then stood at £110,000.

He hoped this would not be allowed to go on, and that it should not be continued for their successors' benefit. A large reserve fund operated to the advantage in the vigilance which in banking affairs ought to be exercised. On the subject of branches, they had established a considerable number.

Mr. Stevens was always opposed to the establishment of branches to any considerable extent. Of course they must meet the wants of a new district where the population increased, but they required great care and vigilance. He believed several of the branches did not pay their expenses. He congratulated them on the appointment of Mr. Stirling, a gentleman of great colonial experience and knowledge.

Mr. Wheeler quite concurred in what had been said about the reserve fund, but he attached very little importance to the opinion of Mr. Stevens on the subject of the branches.

The report was unanimously adopted.

Mr. G. Sillman then moved the adoption of the dividend at the rate of 5 per cent. per annum.

Mr. C. Chippendale seconded the motion, which was also unanimously adopted.

Mr. Alexander Morrison moved the reappointment of James Henry McKie and Fred. C. Wilkins, Esqs., as directors, and of Mr. C. Chippendale and Mr. Jonah S. Wells, as auditors. He also proposed the election of Mr. Stirling in the place of the late Mr. Divett.

Mr. Bedford seconded the motion which met with a unanimous approval.

The Chairman moved that the thanks of the meeting be given to the local managers, for their services during the past year.

This motion was also agreed to.

Mr. Morrison proposed that the best thanks of the meeting be given to Mr. W. Purdy.

This motion was carried by acclamation.

Mr. Stirling briefly returned thanks. He was much obliged for the honour done him in electing him a member of the board. He could assure that any knowledge he possessed would always be at the service of the company.

Mr. Purdy also returned thanks.

On the motion of Mr. Maclaren, seconded by Mr. Richardson, thanks were voted to the chairman, and the proceedings were brought to a close.

LONDON JOINT-STOCK

A MEETING of the proprietors of this bank was at their house, Princes Street; Mr. Blount in the

The Chairman briefly explained that it so happened that the proprietors had resigned at one time; the first, Mr. Delafosse, on account of having to go abroad; Mr. Delafosse, on account of the fact of his having partially liquidated the bank. The holders were called together, therefore to fill up the vacancy. It was proposed that Messrs. F. J. Jordain, G. G. Nicolson, & Co. be directors of the bank.

The motion was agreed to and the meeting was

OTTOMAN BANK (IN LIQUIDATION)

A MEETING of the registered holders of shares in the Ottoman Bank, was held on the 26th June, at the London office of the bank, for the purpose of the liquidation of the remaining assets and the final liquidation of the bank; Sir W. Clay presided.

The following report was taken as read:—"At the meeting that, acting on the authority of the shareholders on the 5th of March, 1863, and in pursuance of the provisions of the Act of Incorporation, they have completed the liquidation of the bank, and they are now enabled to present the balance shown by this account will allow a dividend of 15s. per share on the old shares, and 1s. 6d. per share on the second issue of the late bank. The directors have also made a considerable sum beyond the reserve fund, and have decided to make a total distribution of £5. 5s. per share on the shares of the second issue, the whole of the company's capital. The result has been received with great satisfaction."

*Final Balance-Sheet, 26th June 1865.**Dr.*

January 5th, 1864.	To first distribution (£4 per share)	...	...
	8s. per share of the second issue	...	...
April 5th, 1865.	To second distribution (10s. per share)	...	...
	1s. per share of the second issue	...	...
June 26th.	To proposed final distribution (15s. per share on the old shares and 1s. 6d. per share of the second issue)	...	...

Cr.

March 5th, 1863.	By balance, after appropriation of profits	...	...
	by general meeting of shareholders, on 5th March 1863	...	...
June 26th, 1865.	By assets realised in liquidation less expenses of liquidation	...	...

The Chairman explained that the meeting was

nation given at the meeting on the 9th of April, which meeting was adjournment from the important meeting of the 5th of March, at which resolutions had been passed for the dissolution of the bank, for giving the formal sanction of the shareholders to the arrangements by which they became shareholders of the new Imperial Ottoman Bank, and for empowering the directors to take the necessary steps for carrying the resolutions into effect, and for winding up the affairs and liquidating the assets of the Ottoman Bank. The meeting of the 9th of April was a precautionary step merely, it having been thought possible that difficulties might arise with regard to some of the contemplated measures. No difficulties, however, had arisen, and in consequence the meeting was adjourned sine die without any resolution having been come to, but an adjournment was given that a final meeting would be held for the liquidation of the remaining assets. It had been found necessary to retain the reserve fund, which was the great bulk of the assets they had to divide, and the assets of the bank were taken over by the Imperial Bank, and could not be done until after certain proceedings and formalities had gone through at Constantinople; and this had occasioned a longer delay than had been anticipated in completing the winding up. It was not until the 5th of January, 1864, that they were able to make the first division of the assets, and they then paid £4 upon the ordinary shares, and 10s. upon the new shares. About a year afterwards a distribution was made of 10s. upon the ordinary shares, and 1s. upon the new shares, and it was proposed to make the final distribution. The sum with which they had to deal was a very large one, consisting of the reserve of £100,000, the profit between the first of January, 1863, and the 10th of January, when the functions of the old bank ceased, and certain amounts of assets and assets, with regard to which at one time it seemed probable that legal proceedings would be required. However, the result was now that they had for division £141,550, which would enable them to make a division of 15s. upon the old shares, and 1s. 6d. upon the new, or a total distribution of assets equivalent to 16s. upon each of the old shares. (Hear, hear.) He could not think that that would be considered as not an inappropriate termination to a career of great success: (Cheers). The bank was established in January, 1856; it was dissolved in March, 1863, and during seven years of its existence, the mean dividend had been rather more than 10 per cent. At the time of the creation of the new bank every proprietor of the old bank was entitled to two shares of the Imperial for every old share of the Ottoman Bank and one share of the Imperial for each new share of the Ottoman Bank, and if any proprietor had then sold he would have realised upon his £20 share a profit of 150 per cent. The shares had risen, in common with every other security, but even at the present price, an original shareholder were to realise his profit it would be 100 per cent. upon his shares, plus the £5. 5s., which was equal to 26½ per cent. of extraordinary success. was due to some little good management, and to great good fortune. The Ottoman Bank had in its constitution some of the greatest elements of success, but something was no doubt, due to the harmonious action of the board, to their vigilant attention to the affairs of the bank, and to the confidence of the shareholders, which enabled the directors to pursue that policy which had proved so advantageous. The present division exhausted the whole of the assets with the exception of £400 which would be given to those who had taken much

trouble in carrying out the liquidation. (Hear) matter of form, the adoption of the report.

Replying to a question,

The Chairman announced that the dividend was of July, but as the Imperial dividend was to there might be some little delay.

The motion was carried, and a very cordial vote of thanks to the chairman and directors.

The Chairman acknowledged the vote, and in a hearty farewell after some years of pleasant intercourse expressed his hope that in other undertakings the bank they would not meet with worse fortune than the Ottoman Bank.

The meeting then separated.

IMPERIAL OTTOMAN BANK

THE second annual general meeting of proprietors was held on June at the London Tavern ; Sir W. Clay in the chair.

The following report was read by the Secretary. The committee have the honour to lay before the shareholders the annual report. The accounts, made up to the 31st December, show a profit for the preceding twelve months, after providing for all the usual and extraordinary expenses, of £336,992. Under ordinary circumstances this would be looked upon as a highly satisfactory result, but when viewed in connexion with the severe commercial depression which prevailed throughout Turkey ; added to the fall in the value of the Ottoman Bank shares, and the reaction after excessive speculation. In the period now under review a considerable portion of the profit arose from the issue of the Turkish Loan of 1864, which loan, two millions sterling, was issued in 1864, and from it a portion of its present profits. It is, however, to be able to state that to the extension of the business and not to any exceptional sources the favourable result of the sheet is mainly due. The profits arising from the commercial business have increased more than 30 per cent. in the year of the bank's existence. There is no reason to suppose the business should not continue to increase, though in the selection of bills fulfilling the conditions of the bank, and especially a bank of issue. The bank has liberally performed its duties to the imperial government in all of its transactions with the government having been established. During the past year agencies have been established at Larnaca (Cyprus), Afium-Kara-Hissar, and Adana. The bank receives revenues on account of the government at Constantinople on terms much less onerous than when the government was formerly obliged to submit. The bank has a considerable increase of business at these places, and deducting from the net profit the interest paid on the addition to the reserve fund, and the per cent. on the statutes, there remains a balance of £135,817 5s. which propose a dividend of £1 per share, which, together with the dividend of January last, makes a total dividend at the rate of £2 per share.

£817 5s. 8d. to be carried forward to the next

Liabilities and Assets, 31st December, 1864.

LIABILITIES.

...	...	...	...	£2,700,000	0	0
...	...	...	...	18,568	0	1
tion	...	...	...	6,760	0	0
...	...	...	...	885,849	10	0
account of the government	...	...	...	563,199	11	0
account of sundries	...	...	...	979,136	2	0
ns...	...	...	...	408,150	10	0
uding £44. 11s. 8d. balance from last	...	...	...	242,665	4	0
...	...	...	...	£5,804,328	17	1

ASSETS.

...	...	...	...	£1,350,000	0	0
Constantinople	...	...	...	237,752	4	0
branches	...	...	...	179,132	12	5
other securities	...	...	...	2,080,798	5	6
account of the government	...	...	...	246,302	8	4
account of sundries	...	...	...	1,178,463	7	0
securities and merchandise	...	...	...	525,407	16	7
urniture...	...	...	...	6,472	3	3
...	...	...	...	£5,804,328	17	1

Account from 1st January to 31st December, 1864

e ...	...	...	...	£242,665	4	0
...	...	...	...	£242,665	4	0
er share made on the 1st January, 1865,	...	...	...	£67,500	0	0
per cent. per annum, in accordance with	...	...	...	24,262	1	2
transferred to the reserve fund	...	...	...	7,542	18	7
balance provided by the Statutes to be	...	...	...	7,542	18	7
the founders of the bank	...	...	...	135,000	0	0
balance appropriated to the adminis-	...	...	...	817	5	8
k ...	...	...	...	£242,665	4	0
able on 1st July, of 20s. per share	...	...	...	...	...	...
ed forward	...	...	...	...	...	...

moving its adoption, said the report which was laid
 ers twelve months ago, with the observations he
 n submitting it, had placed them in possession of a
 the foundation of the bank, and a full statement of its
 d rights. It would be remembered that the committee
 referred to ventured to anticipate for the institution a
 Those anticipations, he was happy to say, had been
 and he could assure them, on a full consideration of

the affairs of the bank, that its state and condition and its progress for the future, were in a very (Cheers.) It was stated in the report that the past year had arisen from no exceptional sources, a portion of the commission on the Turkish rest arose from the profitable discharge of their banking functions. He had some figures as to transacted in each of the two years with which showing the rate of increase. The mass of the account, the London and Constantinople establishments at Bucharest, Beyrout, Smyrna, Sarajevo, amounted in the year ending December, 1863, to say, for nine months of actual, and, to enable comparison, three months of assumed operations; but three months of assumed business was larger in proportionate period of actual business, and that their impression somewhat more favourable for 1863. The year ending 31st December, 1864, the gross amount was £66,000,000, and he submitted that it was in a small compass more conclusive evidence of the success than this comparison of results of the two years. In this statement, too, was omitted one item, important in amount, viz., the consignment business, which increased rather more than 50 per cent. This was their business, as yielding a great profit, accompanied. They had heard from the report of the increase in business. At the last meeting the committee stated that the bank should take shares in and other institutions of great power and importance at Constantinople, Société Générale Ottoman. He was happy to see with which they entered into that alliance had been successful. That society had been eminently prosperous; and in doing business with it, the bank had obtained a result which prospectively formed the motive for entering into the matter only had not answered the expectations of the issue of promissory or bank notes, payable on demand, for reasons for their disappointment in this respect. It was time to accustom the public to a note circulating, and in Turkey hitherto the course of growth of time, and in Turkey hitherto the course of such as to inspire confidence in paper money, and to be thoroughly assured of the constant convertibility of the notes, naturally hesitate to take them. The second condition of the commercial business of Turkey was carried on generally in small denominations, both native and foreign, and the currency of a known and recognised kind, for which it could be seen at once as the equivalent and substitute. Perhaps they be got over if they had the co-operation of the bank, he hoped that ultimately they would obtain it, and the government must be aware that a well-established and powerful bank would be of the greatest assistance to their own operations. Therefore he was still of opinion that the power of issuing bank notes would become a source of the power of Turkey and of profit to the Imperial Ottoman Bank, which thought would naturally arise from the figures in the report.

ation he had given, viz., that with the growing prosperity of Turkey, prosperity of the bank was intimately mixed up. They had a deep and abiding interest in the welfare and prosperity of Turkey. (Cheers.) Her great resources should be developed, that her financial system should be established on a firm basis, and that her credit should be maintained and advanced in the great European centres of commerce and wealth—these should be the object of the government of Turkey—but they should not be the object of the bank. (Cheers). If they were actuated by no other motive, an enlarged and enlightened view of their own interests would prompt them to lend a willing assistance to that government in the accomplishment of these objects. (Cheers). It would never be worth while to obtain a transitory or temporary profit or advantage by any means, which should not only that should damage but that should not promote the best of the Turkish empire. And the proprietors might rest assured that as these were the principles by which the committee had hitherto been guided, so they would continue to be the principles by which they would continue hereafter to be actuated; and in addition to discharging the functions confided to them by the imperial concession which made the Bank of Turkey, they would always be ready, when it should be the wish of the Turkish government to ask their counsel and assistance, to give a ready and ready assent to any such invitation, and to join with them in the accomplishment of those objects of national interest to which he had alluded. (Cheers.) There was one other matter. The proprietors saw by the figures the vast increase which had taken place, and was taking place, in the legitimate and profitable operations of the institution, and the committee thought it very likely that it might lead to the necessity of a further issue of capital. He was not prepared to say at present what mode it might be thought best to raise such additional capital, when it was resolved upon the shareholders would be called together for a special meeting to consider the subject. The authority of the Turkish government they had already, and it would of course depend upon them what resolutions should be adopted. Although he could not state the terms on which it might be proposed to raise the new capital, the committee desired to follow the example of the old Ottoman Bank in raising it on such terms as would be acceptable to the proprietors. In conclusion he moved that the report and accounts now read be received and adopted, and that the dividend for the year ending 31st December, 1864, be fixed at 30s. per share, and that that dividend, less the 10s. paid on account in January last, be paid on and after the 1st July next.

Rate seconded the resolution.
A shareholder inquired whether the sum stated as profits represented net profits, from which the expenses of management had to be deducted?

Chairman—The profits are gross, from which the whole of the expenses of the London establishment and of our ten branches have to be deducted.

A shareholder asked what amount had been realised in the shape of commission on the Turkish loan? Supposing it to have been as large as in 1863, their ordinary profits did not show such progress as might have been looked for.

Chairman replied that in 1863 the profit obtained from the loan was very large, whereas in 1864 it was very small. The profit shown in the present accounts, therefore, arose for the most part from ordinary banking operations, and not, as in 1863, mainly from the commission upon

the loan. It would not be judicious to state the true sources of profit.

Another Shareholder inquired why it was that was issued through the agency of the General that of the Imperial Ottoman Bank?

The Chairman had almost rather the question he would answer it as unreservedly as he could in the first place, that a large financial operation of the government of Turkey in which the banks were in April they were informed that a commission government was in Paris to make the arrangements tended to offer the bank the opportunity of part. Accordingly, a delegation from the board went as a commissioner. The offer was then formally made to the operations on certain terms and conditions, once to say "aye" or "no." This state of affairs was from much difficulty; for they could have no circumstances, in refusing to take part in an operation of which they had not been consulted, and considered it desirable for them to engage in it, and doubtless would conduce to the interests of the bank, or to the subject, it would promote the financial empire, they did not hesitate to decline the offer.

A Shareholder remarking upon the fall in the price per cent. since last year, inquired whether it was the rumours that had prevailed of heavy losses in the management, and whether there was any foundation for it.

The Chairman knew nothing of any losses; he and his colleagues gave the most unqualified assurance. (Cheers.) With regard to the fall in the price of the kinds had fallen since last year, but he believed a rise in the Imperial Ottoman Bank shares.

The motion was then put and carried unanimously. The Chairman and his colleagues received

EUROPEAN ASSURANCE

The annual general meeting of the shareholders was held on June 1st, at St. James's Hall, Mr. Wickham, Mr. Cleland, secretary, read the report. It stated that the new life and guarantee policies issued during the year amounted to £23,149. 16s. 6d. In accordance with the resolution of the shareholders at the last annual general meeting, the business of fire insurance in June last. The department amounted to £13,259. 17s. 11d. The amount received in premiums during the year was £1,000,000 and guarantee claims paid during the year, amounted to £86,717. 4s. 10d. The increase in the business during the year had been £52,925. 18s. 10d. and the British Nation Life Assurance Association recommended the recommendation of Mr. Finlaison, the Governor, to be completed. The results of the union the directors

shareholders with great satisfaction. The subscribed capital is raised upwards of £700,000, the number of shareholders to more than 1,200, and the annual income to upwards of £300,000, while the new premium income of the united companies for the year 1864, amounts to £46,507. The progress of the societies since the union had been highly satisfactory. The premium income derived from new business during the last two months was at the rate of more than £50,000 a year, an amount considerably in excess of that effected by the two societies in their separate condition, and the directors fully anticipated that this rate would be still further increased. The various agencies were brought into a greater degree of efficiency. The Chairman, in moving the adoption of the report, referred to the various operations of the society during the past year, and congratulated the shareholders on the results that had accrued. At the previous meeting he had the pleasure of congratulating them on the position in which the society then stood, but he now felt more strongly justified in congratulating them, for he never met the proprietors under such advantageous circumstances as at the present time. With respect to the amalgamation of this company with the British Nation Life Assurance Association and the Mercantile Union Fire Company mentioned in the report, he believed that that amalgamation would be of great benefit, and he congratulated the company on having obtained so much increased and good business. Their premium now amounted to £1,000 a day, and their new business to £1,000 a week. This was quite enough to show the prosperous condition of the society. Mr. J. E. McConnel seconded the motion, and it was agreed unanimously. Dr. Watts moved a vote of thanks to the chairman and board of directors for their attention to the interests of the society, and for the highly satisfactory report of its condition and prospects which had been presented. The motion was most cordially agreed to, and the chairman returned thanks. The retiring directors were unanimously re-elected; Mr. J. Parker was elected auditor.

ATLANTIC AND GREAT WESTERN RAILWAY.

The accompanying letter and report received from Mr. Moseley, who has recently visited the United States and minutely inspected the Atlantic and Great Western Railroad, will, we think, prove interesting to holders of this company's securities, showing as it does of the great variety of the sources from which traffic will be derived, and the vast amount which will immediately accrue and will ultimately swell into an aggregate equal to, if not greater than, that of any railroad of similar length in any part of the world.—

“New York, May 29th, 1865.

Edw. F. Satterthwaite, Esq., London.

“DEAR SIR,—In accordance with your instructions, I have made a careful examination of the Atlantic and Great Western Railway, and also the lines connecting with it at Dayton, and on to St. Louis.

“The main line commences at Salamanca, on the Erie Railway, 414 miles from New York, in the State of New York, and passes through the States of Pennsylvania and Ohio, terminating at Dayton, a total distance of 386 miles.

"The broad gauge lines in direct communication with the Great Western are :

The Erie Railway, New York to Salamanca
 The Cincinnati Hamilton and Dayton Railway
 The Ohio and Mississippi Railway

"The railroad crossings and connection of the

At Salamanca	with Erie Railway
Corry	" { Oil Creek Railway
	" { Philadelphia and Erie H
Meadville	" { Franklin and Oil City R
	" { G. W. Ry.....
Cleveland	" Cleveland and Toledo R
Greenville	" Erie and Pittsburgh Ra
Ravenna	" Cleveland and Pittsbu
Akron.....	" { Cleveland Zanesville a
	" { Railroad
	" { Pittsburgh Fort Wayne
Mansfield	" { Railroad
	" { Sandusky Mansfield
	" { Railroad.....
Galion and Marion ..	" { Cleveland Columbus a
	" { Railroad
	" { Bellefontaine Railway
Urbana	" { Great Central Railway
	" { Sandusky Dayton an
	" { Railroad
	" { Springfield and Columb
Springfield.....	" { Springfield Mt. Vern
	" { burgh Railroad
	" { Sandusky Dayton an
	" { Railroad
Dayton	" { Dayton and Michigan R
	" { Indiana Central and
	" { Western Railroad ..
Cincinnati	" { Ohio and Mississippi R
	" { Indianapolis and Cincin
	" { Kentucky Central Rail
	" { Louisville and New Or

"It affords me much pleasure to be able to report that the Great Western line is in most excellent order, the exception of some 20 miles of metal west of Springfield, in first-rate condition. These 20 miles are now being replaced. The rails taken up will be used for additional sidings at the important points on the line, and which, when completed, will be about 15 miles in length.

"It is also most satisfactory to be able to confirm the report made in March last, that during the great floods the amount of damage done to the permanent way was trifling, and that all repairs were executed with the aid of a staff of "track layers." The stations on the line are more or less of a temporary character, with the exception of the head quarters of the Company, a very fine building for the various departments, refreshment-rooms

st class hotel (admirably managed), but still far too small to accommodate the greatly increasing business. In due time great alterations and additions will be made to all the stations, but at present they are well adapted to the traffic, and it is policy to thoroughly develop the traffic before expending large sums upon improvements, that in the course of a year or two are sure to prove inadequate. There are in course of construction at Meadville large workshops and engine-sheds, which, with the houses belonging to the Company and rented by employes, cover an area of about 60 acres. At the Kent station there are also large works being erected, consisting of car and smiths' shops, and engine-sheds, all being built in a most substantial manner.

'All the heavy works now in hand are being pushed on with vigour, more especially the engine-sheds which will be completed before the coming winter.

'The rolling stock consists of—

- 91 Locomotives on line.
- 35 Ditto building.
- 51 Passenger cars (to carry 60 persons).
- 40 Ditto building.
- 16 Baggage and Mail cars.
- 2,566 Freight cars.

'It is all in splendid order, the engines being of a particularly fine description.

'From Dayton to Cincinnati the line belongs to the Cincinnati, Hamilton, and Dayton Railway Company. This Company expended \$1,500,000 in laying a broad gauge "straddle" track (rails on either side of narrow gauge rails), and building passenger stations and freight houses to accommodate the Atlantic and Great Western traffic. The passenger station at Cincinnati is one of the best and most convenient in the States, containing arrangements for the comfort of passengers not usually to be met with on American lines. A fine suite of offices are nearly completed for the use of the Atlantic and Great Western Company. The freight houses adjoin the station and are rented by firms who take the freights from the Railway Company, charging for storage, and assuming all the responsibility of delivery; an excellent arrangement that relieves the Company of a vast amount of risk. The line from Dayton to Cincinnati is in perfect order, well ballasted and maintained, the stations are good, and there is every facility for conducting a very large traffic with regularity. The junction with the Ohio and the Mississippi Railway is about half a mile from the main station. Arrangements are contemplated by which the two lines will unite at the main station. The line to St. Louis, considering the severe winter and the floods, is in very good condition. The track is being carefully repaired, and a large amount of iron is being re-rolled and re-laid. It is the intention of the Directors to re-roll nearly all the metal now worn. The line is broad gauge throughout.

'The Franklin Branch has been extended from Franklin to Oil City, 84 miles, a very important addition to the line. From Meadville to Franklin the rails originally laid are very light, but from the fact of the joints being bedded they have worn most surprisingly well, and would last for years to come. However, it is intended to replace them with the same description of rail used on the main line. The light rails will be kept in stock in all probability for sidings. The track is well maintained, and the enormous traffic over this branch is admirably managed.

"The Cleveland Extension runs over the Mahoning track; the narrow gauge cars and engines belong to the Cleveland Extension, and are therefore used in common with the broad gauge cars, the gauges being run with the greatest safety. The traffic is heavy and the traffic over it immense.

"The works of the Buffalo Extension and New York Extension will be energetically carried on. Those on the Erie Extension are nearly complete.

"Having thoroughly satisfied myself that the Erie Extension in proper order, I have devoted considerable time to the traffic prospects for the future. I append a list of the villages within a radius of about 20 miles from the Erie Extension. It will be seen that the railway passes through some of the best tracts. In fact, from Saegar Town, (97 miles from Buffalo) the country is as highly cultivated as any part of the State.

"I am prepared for somewhat lower traffic in the next few months of this year, and believe that they will be lower than the present period, for the following reason: The heavy demand for gold (consequent upon the large fall in gold) in the West, and the exports, such as tobacco, grain, hemp, and hogs, to the seaboard, holders generally hoping for a rise in prices, and, as a rule, being unwilling to face a sudden fall in the west, and sooner or later must come east to sell their harvest there will be an immense pressure of freight, and be enabled to advance their rates.

"The connections with the various cross-roads, and when arrangements are completed for additional cross-roads, and when arrangements are completed for additional cross-roads, will open up to the Atlantic and Great Western the following: Corry, Clarkesville, Mansfield, and Galion, for example, are now in existence, and in addition a class of traffic is being sought after—I mean the stock traffic. Dull as the present time, a neighbouring line for instance, is carrying 50 cars per diem. This, at 30 dols. (a minimum) is worth 1,500 dols.

"I anticipate that the Atlantic and Great Western will carry the same traffic in dull times from Cleveland to Saegar Town, stock, however, to be conveyed from Cleveland to Saegar Town, which will be forthcoming from Mansfield, Galion, and The States of Kentucky, Southern Illinois, and Indiana, and stock-producing States, and the Atlantic and Great Western at these points (arrived at by the Ohio and Mississippi and Dayton, and Cincinnati and Indianapolis), and stock producers an unbroken broad-gauge line to the seaboard, calculation to estimate the stock traffic over the Erie Extension the road at from 50 to 100 cars per diem. Taking an average of 50 dols. to 75 dols. per car, and the local traffic, which, added to the Cleveland estimate of 3,700 dols. per diem, or 22,200 dols. per week, would be a traffic alone.

"A great source of traffic at present is, and will be, the oil from the Pennsylvania wells. Notwithstanding the fact that for the last three years, the supply shows no sign of diminishing, and sequence fresh adventurers are daily arriving and

oil." The large number of companies formed of late, has added to an enormous extent, and materially added to the Franklin Branch. It is estimated that nearly 2,000 have started this season; the pumping engines for these new wells are scattered in all directions,—200 were on the Franklin line last week. The extension of the line to Oil City will be an immense amount of oil traffic, that last year was carried by other routes. A large plot of land has been presented in the neighbourhood of Oil City, on the river bank, upon which houses and sheds will be built exclusively for Petroleum. Oil will be sent direct from the wells on the creek to these houses, saving of some seven miles of road hauling will be required to suppose that a large amount of traffic that has hitherto been carried by other routes will be diverted to the rail. The number of barrels transported on the Atlantic and Great Western line last year amounted to the sum of 675,028.

The course of a very short time, will form one of the largest. The facilities for shipment at Cleveland are so great (the line has been 3,000 and 4,000 feet of river frontage) for the West and for the railroads, that it is impossible to estimate what the value will be. At present it is only beginning to be developed. In the future, western shipments, there will be an enormous demand for the Buffalo Extension, and Erie and Niagara line. Cheapening a large number of manufactories to the towns in the neighbourhood of the coal fields. It is a satisfactory feature that the Mahoning Youngstown (the southern terminus of the Mahoning line) of the coal district) to Cleveland, return with iron ore. The "Mahoning Works," at Youngstown, consume 240 tons of coal, and turn out in bars, sheets, and castings of iron per day. The freight business of these works in the future, and manufactured iron to different parts, is worth an enormous amount. Two other firms here contribute 75,000 dols. and others from 50,000 dols. to 60,000 dols.

As the sources of revenue alluded to, there is a very large amount of freight traffic at present derived from dairy produce, and a higher rate for transport than any other description of

freight being fully open to Cincinnati and St. Louis for through traffic, no doubt that the most sanguine expectations will be realized.

At present, owing to the want of rolling stock, no through trains have not been canvassed for. One through train is now running to run on the 8th instant, another will be placed on the middle of June, and a third by the middle of July. The opening of the through line for passengers will, however, be a great stimulus to freights, and as new cars are added to the line, energetic measures will be taken to secure a class of freight traffic not competed for, viz., general merchandise bound west. A large amount of goods traffic to be obtained from the Cleveland and Michigan lines running from Michigan to Chicago. The Atlantic and Great Western will be in a position to give more than double the amount of freight carriage east compared with the total now carried for the Atlantic and Great Western. The relations between these two lines are of a very friendly nature, and the evident anxiety on the part of the managers to assist in

developing the Atlantic traffic. It is also gratifying that both at Cincinnati and St. Louis, all the pleasure of meeting spoke in the most encouraging traffic prospects, and expressed themselves highly in the early opening of the through route. Apart from the opening of through traffic, I am convinced that the local traffic at the present time has been the great source of revenue for the management and development will yield a revenue more than sufficient to the requirements of the bondholders. No other line in the United States passes through more highly cultivated and fertile tracts, which from the very first have thrown an advantage upon the line.

"When it is considered that this great railway has been in operation five years ago, during a period of civil war, with wages higher, than ever remembered; I think it is fair to say that it may fairly congratulate themselves upon the progress made at the present time. To the amazing energy of Mr. L'Houssaye, Chief, in the face of every possible opposition, is due.

"Under the active presidency of Mr. L'Houssaye, the management of Mr. McLaren, the General Superintendent, has effected vast improvements in the conduct of the traffic. Indeed, already important savings have been effected in the expenses of the road. Both these gentlemen speak of the success of the undertaking, and of the large increase in traffic must follow upon the perfect equipment of the line.

"The following are the stations on the Atlantic and Great Western with the towns and villages alluded to.

"I am, dear Sir,

"Yours faithfully,

The number of miles, after the name of the station, and of each place from Salamanca, which is the connecting way and transfer station, situated in Cattaraugus County, population of the county is 43,735.

Steamburg (12 miles). A small place; lumber business derived from this station.

Randolph (18 miles), population 1,500; Railroad station, population 500.

Kennedy (25 miles), population 1,200; Ellington, population 1,200.

Jamestown (34 miles), population 5,000; important manufacturing and shipping point. Towns tributary thereto are: 400; Frewsbury, 600; Ellery, 400; Fentonville, 400; Russelburg, 600; Sugar Grove, 1,000; Geary, 500; Stockton, 700; Maysville, 1,500. These towns are all in Chautauqua County, the population of which is 10,000. The line passes through south part of county; Lake Shore, 10 miles. There is a pleasant route to the Lake Shore, 10 miles east of Buffalo, via steamboat on the Chautauqua and thence by coach, 7 miles to the railway; this is the case in the summer months.

Ashville (41 miles), population 1,000.

panama (48 miles). Town of same name distant 2 miles; population 100.

Columbus (57 miles), population 800; in Warren County, Pennsylvania, population of which is 19,190.

Corry (61 miles). This town is five years old, population 4,000. Cross-
of the Philadelphia and Erie Railroad, and Junction with the Oil
ek Railroad, an important point for forwarding oil, and receiving
chandise and machinery for the oil regions. Here are the Downer Oil
nery Works, containing iron tanks which hold 10,000 barrels of oil.
860 the site of Corry was a forest, not a house to be seen.

Concord (66 miles). A small village.

Mill Village (79 miles). Only a station, no village of any consequence,
erford, 4 miles, population 4,000. Philadelphia and Erie Railroad
directly alongside Atlantic and Great Western Road from this station
Corry.

Millers (85 miles). Small places.

Cambridge (88 miles), population 2,000. Edenboro, 6 miles, popula-
600.

Eger Town (97 miles), population 500. From this station, west, a
ked change is visible in the country; up to this point there is much
st land, and the resources of the country are undeveloped. Still,
h has been done during the last years, and a daily improvement may
pected.

Meadvile (103 miles), population 8,000; important commercial and
ufacturing town. General offices of the railway are at this place, and
rge and admirably managed hotel, the "McHenry House," where
engers dine, &c.,—indeed, if it were twice the size, it would always
Eight distinct table d'hôte dinners are served here for the conve-
ce of persons living in the house, and passengers arriving by the trains.
company's workshops are in a forward state, and will be of great
ce when completed. Tributary towns—Riceville, 18 miles, population
0; Cooley, 12 miles, population 500; Conneout Lake, 7 miles, popu-
600; Cochran, Utica, Evansbridge, Sugar Creek, small villages
Franklin Branch, which joins the main line at Meadville, in Crawford
nty, the population of which is 48,755.

Franklin (131 miles), on the branch from Meadville, population 5,000;
t point for the shipment of oil. This station is at the junction of
ch Creek and Allegheny River.

l City (8½ miles from Franklin) furnishes a great amount of traffic
ssengers and freight to the road, population 10,000; situated at the
tion of Oil Creek with the Allegheny River. In the spring and fall, when
water is high, but before the opening of the line to Oil City, most of
oil went down the Allegheny to Pittsburgh, and thence east. In the
mer when the water is low, and all through the winter, all the oil
es over the Franklin branch.

utton (110 miles.) No village, but a good lumbering point.

Evansburg (115 miles.) Town of same name is 4 miles from station,
lation 800. Hackstown, 5 miles, population, 500; Georgetown,
miles, population 700.

lamsville (121 miles). Population 500.

ugar Grove (124 miles). Small station.

reenville (129 miles). Population 4,000. Tributary towns—Miner,
miles, population 2,000; New Hamburg, 7 miles, population 600;
ware Grove, 9 miles, population 100; Centreville, 28 miles, population

200; Balm, 25 miles, population 100; New
population 100 each; Shackleyville, 10 miles,
Crossing on Erie and Pittsburgh Railroad,
Clarksville (136 miles.) Population 1000.

runs parallel with Atlantic and Great Western
towns—Newcastle, 17 miles, population, 3,500
tion, 809; West Middlesex, 20 miles, population
population 1,500; Jamestown, 10 miles, popu-
population 300; Lindenville, population 200;
Conneautville, population 1,500; Linesville, p-
Crawfords (139 miles.) Large coal fields at

Orangeville, Ohio (141 miles). Population
Sharon, 7 miles, population 5,000; Hartford, 4
Kinsman, 4½ miles; Maysville, 5 miles; Shar-
The above-mentioned towns have a popul-
each.

Burghill (145 miles). Tributary to this sta-
stations, under head of Orangeville.

Large dairy farms are along the line of the
and Akron, and consequently large shipments
made from these points. The amount varies
annum from each station.

Johnson's Summit (149 miles). Fowler, 5
tion 700.

The remarks appended to Burghill station a-
as well.

Baconsburg (154 miles). Population 500;
1,000; Johnson's, 6 miles, population 500;
tion 500; Williamsfield, 20 miles, population

This is called the Mecca oil region; and pro-
rate quantities.

Warren (162 miles). Population 4,000; en-
power, furnished by the Mahoning River, which
power in mills, &c., &c. Tributary towns—Gu-
600; Bristol, 9 miles, population, 500; Farm-
600; Southington, 10 miles, population 500;
population, 800.

Above towns are in Trumbull County, Ohio
30,813.

Leavittsburgh (164 miles). Crossing of Cle-
here, but is an important transfer point, both
and west. Towns on this branch between Leav-
Braceville, Windham, Garrettsville, Mantua, At-

The above-named towns are the centres of
large shipments of butter and cheese go from the
west.

Cleveland (214½ miles). Terminus of the
Atlantic and Great Western Railway; Populat-
well laid out town, and large manufacturing
here, encouraged by the unequalled railway fa-

The following roads centre at this point:—C-
Shore Line: Cleveland, Columbus and Cincin-
Great Western Railways, and the Cleveland
Large quantities of iron ore pass through on its

affording a lucrative business to the Atlantic and Great Company.

An increasing town of 4,000 inhabitants, at the southern end of the branch, and in the centre of the cold fields of Ohio. The works supplied via the Cleveland Branch, with ore from the Lake.

Very rich in coal, and the traffic derived from it from the Lake, and elsewhere, cannot but prove a lasting source of employment.

However, in consequence of a strike amongst the coal miners, has suffered much. The miners belong to a trade's union, and demand higher wages, but being now badly off for money, will not work in two or three weeks.

Towns to Youngstown are—Sharon, Pa., which has also an Erie canal to Erie; New Castle, Lowell, and Mahoning, manufacturing towns, the business of which is largely in coal banks underlie nearly all this region, to which the coal is transported for smelting.

(miles). Situated between the main line and Cleveland is Youngstown, population 1,500. Tributary towns—Sellington, 5 miles, population 1,000; Messopotamia, 15 miles, population 1,000; Lordstown and Windsor, 20 miles, population 800; dairy farms supply the region.

(miles). Small town, but country in the vicinity is densely settled. Articles of freight are butter and cheese, for New York and St. Louis.

(miles), population 1,000. Tributary towns—Painesville, 10 miles, population 800; Palmyra, 10 miles, population 500, freights, and all the region from Akron, eastward to Grangeville, is largely in dairy; although small towns, some of them furnish thousands of cheese and butter per annum; it is desirable for the country being paid for its transportation than for any other.

(miles), population 4,000; in Portage County, population of 1,500. Crossing of Cleveland and Pittsburgh Railroad. Towns—Akron, 4½ miles; Randolph, 12 miles, population 500; Shalersville, population 600; Streetsburg, 5 miles; Shalersville, population 600. The Cleveland and Pittsburgh road is a good central portion of Atlantic and Great Western Railway.

(miles). Lately called Franklin Mills, is a midway station 196 miles from Dayton, and in consequence of its situation for the workshops, &c., of the Company. The site is of white sandstone found on the spot, and are substantial. They consist of two large car sheds, one of which is now under construction, a 60-horse engine working some valuable machinery, a smith's shop and engine shed with room for eighteen workmen, and a blacksmith's shop, the latter, when completed, being designed for the use of the engine. The foundations are laid for a fine machine shop, a house and paint shop; these, together with a tank for the use of the engine, will complete a very perfect system, and prove of great service to the Company.

(miles), small town, population 500; Cuyahoga Falls, population 1,500.

Akron (202 miles), population 7,000; the most important point in the State, capacity of mills being 1,500,000 bushels on the Ohio Canal, and on the Cleveland and Toledo Railroad; has the best water power of any town in the State; large agricultural implement shops here. Toledo, 11 miles, population 400; East Liberty, 11 miles, population 400; Town, 13 miles, population 800; Manchester, 13 miles, population 800; Middlebury, 2 miles, population 1,000.

New Portage (207 miles.) On canal from Toledo to Akron, from which much business may be secured. The country is fertile valleys of the Scioto and Muskingum. Cities of Newark, Chillicothe, Circleville, &c. Circleville, 10 miles, population 2,000; Hinckley, 5 miles, population 1,000; Liverpool, 15 miles, population 1,000; Albion, 25 miles, population 2,500; Albion, 25 miles, population 600. Large earthenware works at

Wadsworth (215 miles), population 500, on the River Styx, to the north; Doylestown and Circleville villages with a population of 500 to 800; divide of Silver Creek branch of the Atlantic and Great Western, long, being the first coal field reached on the line. Mining, now 200 tons per diem; two more mines soon be opened. It is expected to supply the State with the coal, which is of the celebrated Chipewagon gas purposes, situated in Summit Country; population 500.

Seville (226 miles), population 1,200. Triadelphia, 10 miles, population 500; Medina, 9 miles, population 1,000; Lafayette, 7 miles, population 1,500.

Bridgeport (232 miles), population 800; Leipsic, 6 miles, population 400.

West Salem (238 miles), population 1,000; population 22,700. Tributary towns—Perry, 300; Converse, 3 miles, population 800; Honover, 3 miles, population 400.

Polk (244 miles). Population 400. Tributary towns—Rousburg, 8 miles, population 500; Ashland (252 miles), population 3,000; Ashland, 21,693. Product principally wheat. Tributary towns—Jeromesville, 8 miles, population 1,000; Savannah, 7 miles, population 500; Windsor (261 miles). Population 300. Triadelphia and Mifflin, 4 to 6 miles.

Mausfield (269 miles). Richland County. Population of county, 31,121. The road crosses Fort Wayne, Sandusky and Newark, with both of which it connects at this station for Pittsburg and Chicago. The Company have agreed to share equally the cost of the station here.

Ontario (277 miles). Population 500.

Galion, Ohio (283 miles). Population 2,500. Columbus and Cincinnati Railroad, eastern terminus at Indiana Railroad in Crawford County, population 21 miles run side by side with the Railroad.

(miles). Population 600.

(s). Population 3,000; county population, 15,891.

(es). Population 700. From hence to North Lewis-
s, the country is new and thinly settled. The woods
le timber. From Marion, east, the country is highly

(miles). Population 800. Bryant, 4 miles; Carey, 7
6 miles. 500 to 800 each in population.

(es). No town on line; small village 1 mile distant;
mber (timber) sent from this station to Dayton and

(338 miles). Population 1,000; Bellefontaine, popula-
erty, 12 miles, population 2,000; Woodstock, popula-
rg, 6 miles; East Liberty, 8½ miles; Maysville, 10
miles; Middletown, 4 miles; Pickerstown, 8 miles;
. These towns, from 500 to 2,000 inhabitants. Rail-
he centre of the county.

(43 miles). No village here.

(miles). No town; small village north of it of 300

(es). Population 5,000, in Champaign County, Ohio;
y, 16,591. To this point from Dayton the line runs
andusky, Dayton, and Cincinnati Railroad, and here
om Indianapolis, Indiana, to Columbus. A fair business
road. A large live stock trade from the States of
s will strike here.

(miles). A small village; population, 300. The road
on runs near Mad River. This valley is not excelled
agricultural resources by any portion of the West.
k County (366 miles, population 8,000; a large manu-
lling capacity 130,000 barrels per annum; town is 1½
a very enterprising place.

(es). No town here.

, population 1,000; town one mile from station; popu-
445. Road traverses centre of county east and west.

County (378 miles), population 1,200; of county
airfield 2 miles, population 1,000; Carlisle 4 miles,

(miles). No village, 6½ miles from a station; a large
barrels flour per diem, and an extensive distillery.

emery County (387 miles), population of city 22,000, of
a manufacturing town, largest item of production being
of 150,000 to 200,000 barrels per annum; the tonnage
y statements from books of various railroads to New
hiladelphia and Baltimore, was 24,699 tons; it is
nus of the Cincinnati, Hamilton, and Dayton Railroad
eastern terminus of the Dayton and Western Railroad
terminus of the Greenville and Miami Railroad 42
minus of the Little Miami Railroad 70 miles from
of the State). The southern terminus of the Dayton
ilroad 140 miles; also of the Sandusky Dayton and
d 154 miles. Not much trade will be drawn from the
antic and Great Western Railway, but a large amount
e south and west. A large manufacturing and mer-

cantile jobbing business is carried on here. The road traverses the centre of the county, connecting Cincinnati, Hamilton, and Dayton Railroad with the largest commercial and manufacturing city of the West, with a population of 200,000.

In the above report the population has been taken from the census of 1860, since which time it has considerably increased.

POST-DATED CHEQUES—ARE THEY VALID?

[From a Correspondent]

A CASE of great commercial importance, and of great legal world of Westminster Hall in a state of suspense for some time, has just been decided. The result to the mind of the public, and especially the mercantile mind, have been relieved by the decision just come. It is that a post-dated cheque is not illegal, and that nothing illegal in drawing a cheque on, and signing and dating it on the first of the succeeding month. It will indeed be a relief to many of our readers to know that the court had been otherwise than it has been. The objection has been very serious indeed: for nothing more serious than the great commercial London than for mercantile purposes. And, therefore, if it had been decided that post-dated cheques cannot sue upon them, and that the purposes null, void, and ineffectual, and that the unscrupulous and unprincipled drawer of such a cheque has a fatal objection that it is post-dated, and that the claim of *bonâ fide* holders who may have taken such cheques for the cheques.

The main facts of the case which has just been decided are the same as occur in this city every day of our lives. On the 24th of June last year, the defendant drew a cheque for £350, dated, however, on the 24th July. The plaintiff, who knew that the cheque was not to be presented on the mentioned date. A endorsed it to B, a friend of the plaintiff in the action on the day it bore date. The plaintiff had no intimation whatever of the fact that the cheque was post-dated. The plaintiff having sued the defendant for the cheque, the objection was taken, (first) that, being post-dated, it was illegal, and so void; and (secondly) that, being post-dated it was in effect a bill of exchange, and was therefore liable to a stamp duty of four shillings and one penny chargeable on cheques in general.

ly stamped document, and on that account inadmissible in any court of law or equity. These objections were learnedly argued before the Court of Queen's Bench, and will be seen from our short report of the case elsewhere. The Lordships have pronounced an unanimous decision against these objections; and the plaintiff thus recovers.

This decision will give the greatest satisfaction to the bankers, indeed, to all commercial people, into whose hands cheques are every day liable to come, and who, if this decision were the other way, would be continually exposed to the objections incident to post-dating, it would be well that this decision is subject to appeal to the Court of Appeal, and that in all probability it will be taken into consideration can hardly be considered as having finally and settled the question, until it has gone through the trying ordeal of error." Our bankers and merchants would, meantime, do well still to be chary of accepting cheques which have reason to suspect are post-dated.

It is only if the decision stands unreversed, that the Legislature might bring in a Bill specifically prohibiting and preventing post-dating of cheques: because, they will say, such a measure is necessary for the protection of the revenue, which would be invaded, or, at least, deprived of the difference between the value of a post-dated cheque, and the stamp duty on a bill for the same amount as the cheque. There can certainly be no objection if the decision just pronounced remains law, post-dating will become the rule and not the exception, and bills will be drawn by exception and not the rule. For who will be lavish of four shillings, to Government, when one penny will do? In the case we are referring to, for instance, a man who had clearly lost a sum of three shillings and eleven pence, and the drawer of the cheque has cleverly saved himself that

sum, however, may eventually be the law on the subject. It is very much to be hoped that *bona fide* holders of cheques of value and without any knowledge of the fraud will be allowed to recover as against the drawer of the cheque, and not against holders antecedently to himself.

DEATH OF SIR J. W. LUBBOCK.

SIR JAMES LUBBOCK, Bart., of the well-known banking firm of Messrs. Lubbock, and Co., a gentleman who devoted much of his time to philosophical and scientific pursuits, died at his residence, Elms, near Farnborough, on the 20th June.

The late Sir J. W. Lubbock, who was the son of the late Sir J. Lubbock, was educated at Eton, and at Trinity College, Dublin, where he graduated in 1825, being first class in mathematics. He was many years Treasurer and Vice-President of the Royal Society, Vice-Chancellor of the University of London, and President of most of the principal scientific societies, including the American Academy of Arts and Sciences, the Royal Society of Turin and Palermo. He spent much labour and time on the study of the Moon, which is thus referred to in Grant's "History of the Moon":—

"Sir John Lubbock has investigated the lunar theory, and has published valuable papers which have appeared in the volumes of the Philosophical Transactions, and also in a special treatise on the subject. The method of variation which he has introduced into his researches, for determining the mean longitude of the moon as the independent variable, is a practice which has always been pursued in the lunar theory, but the lunar it had been hitherto deemed more convenient to express the longitude in terms of the true, considered as the independent variable, and then by the reversion of series to obtain the longitude in terms of the mean. The eminent geometer Laplace perceives, however, that the use of the mean longitude as the independent variable conduces to greater simplicity in practice, and relates to the lunar perturbations. His example was followed by Poisson, who introduced another method into the lunar theory, by employing in his researches the method of variation of elements. The only difficulty which has attended the lunar theory arose from the errors in the tables, which have occasioned so much fruitless discussion since the beginning of the nineteenth century. Although the inequality of the action of the sun, which Laplace suggested, was generally believed to be the cause of these anomalies, no attempt had been made to calculate its real value, and the inadequacy to account for the errors of the tables was in doubt. Poisson, having examined this point, discovered the important fact that the disturbing action of the sun produces an inequality in the moon's mean longitude, which was first pointed out by Laplace. He then considered the inequality of the action of the sun in the compression of the two hemispheres, and found, as already done, that it was quite insensible. Sir John Lubbock, at the same time, very simply arrived at a similar conclusion by his own formula."

Sir John also did much to improve the tables of the Moon, which he received one of the Royal Medals for his services. The "Nautical Almanack" were for some time revised by him. The Nautical Almanack for 1841 was the last published on this subject:—

"It is to Mr. Lubbock that we are indebted for the improvement of the theory of the tides as given by Laplace in the "Du Flux et Reflux de la Mer," with the results of his observations from a period of nineteen years in the port of Liverpool. The results which was published in our transactions for 1831, and the elaborate discussion by Mr. Depion, under Mr. Lubbock's direction, are also due to his labours."

more than 13,000 observations, and the results were of great importance, not merely as furnishing the materials and the general rules for the construction of tide tables, but also for the general accordance which they exhibited with the equilibrium theory of Bernouilli, particularly with respect to the semi-menstrual inequality. This agreement was the more important, as affording the indication of the real existence of a physical connexion between the theory and observation, and as consequently justifying such a further examination of its consequences as might lead to the discovery or suggestion of such modifications of it as would lead to its general accordance with the laws of all the facts observed."

And on the same subject, Grant's History of Astronomy says :—

The important question of the tides has recently attracted considerable attention in this country. The 'Encyclopædia Metropolitana' contains a valuable essay on the mathematical part of the subject, by Mr. Brewster, founded on the theory of undulations. Sir John Lubbock and Dr. Brewster have been engaged during many years in determining the laws of the tides by observation, and in tracing their connexion with the places of the sun and moon. The results to which they have been conducted by their researches, are contained in a series of admirable papers, which continue to be published from time to time, in the volumes of the Royal Society. These distinguished philosophers are now endeavouring to do for the theory of the tides what astronomers had done for the lunar theory previous to the establishment of the theory of gravitation."

In conjunction with Mr. Drinkwater Bethune, he wrote an Essay on Probabilities, for the Society for the Diffusion of Useful Knowledge. This was subsequently reprinted, but owing to some mistake in the binder, it was described as "De Morgan on Probabilities." This extraordinary mistake was not discovered until the work had been in circulation for some years. His treatise on "Astronomical Refractions," originally published, we believe, in 1840, was also reprinted. Annexed is a list of the titles of some of Sir John's principal publications :—

On the Theory of the Moon, and on the Perturbations of the Planets." Parts.

Account of the 'Traite sur le Flux et Reflux de la Mer' of Daniel Bernouilli."

An Elementary Treatise on the Computation of Eclipses and Occultations."

Remarks on the Classification of the different Branches of Human Knowledge."

An Elementary Treatise on the Tides."

On the Heat of Vapours and on Astronomical Refractions.

On Currency."

On the determination of the numerical Values of the Co-efficients in series consisting of Sines and Cosines of Multiples of a variable angle."

On Shooting Stars."

On the Attraction of Ellipsoids."

On Cask Gauging."

Note on the Calculation of the Distance of a Comet from the Earth."

"On the Limits upon the Earth's Surface within which a Star or Planet by the Moon is visible."

"On the Divergence of the numerical Co-efficients of Longitude in the Lunar Theory."

"On the Census."

"On some Elementary Applications of Abel's Theorem."

"On the Double Achromatic Object Glass."

"On some Problems in Analytical Geometry."

"On a Property of the Parabola."

"On a Property of the Conic Sections."

"On the Wave Surface in the Theory of Double Refraction."

"On the Variation of the Arbitrary Constants in the Solution of Problems."

"On the Arabic Names of the Stars."

"On the Stability of the Solar System."

"Proceedings of the Excise Committee, relative to the Duties on Spirits."

"Table of the Sines and Tangents (natural and logarithmic) for the Quadrant."

"Table of the Logarithms of the Sines and Tangents for the Quadrant."

"On the general Solution of Algebraical Equations."

"On the Wave Surface in the Theory of Double Refraction."

"On the Vapours of Æther, Alcohol, Petroleum, &c."

"On the Conditions of the Atmosphere, and on the Use of the Barometer."

"On Astronomical Refractions."

"On the Gnomonic Projection of the Sphere."

"The Stars," in six maps, on the gnomonic projection, presented to the Society for the Diffusion of Useful Knowledge."

The following are extracts from the address of Sir John Lubbock, the Duke of Sussex, President of the Royal Society, Nov. 30, 1837 :—

"It is now three years since the Royal Society conferred on Sir John Lubbock for his researches on the tides, and on the nature of the tides, and on themselves of the first opportunity which was afforded of the cycle of the subjects, which are successively the subjects of the medals, to make a similar award to his colleagues. This very interesting and important series of inquiries has led me to attempt to balance the relative claims of the two subjects on this subject of these two very eminent philosophers. I have endeavoured to remark that the first who ventured to approach this neglected inquiry was the first also who was the first to have long noticed with equal pride and satisfaction the progress with which they have carried on their co-ordinating inquiries, different to every object but the attainment of truth, superior to those jealousies which too frequently prevail amongst rival and contemporaneous labourers in science."

Sir John Lubbock was one of the treasurers of the Society from the year 1851, and was a member of several other learned societies."

may mention that for determining the standard, and
intended to investigate the question of weights and
for many years senior partner in his bank, and
of importance was one on the Clearing of the
which he appended as a motto the well-known
saying:—

Equidem, extremo ni jam sub fine laborum,
Graham, et terris festinem advertere proram."

principally at his seat in Kent, where he took the
interest in the education of the neighbouring poor.
much time to agricultural pursuits, and was a suc-
cessful stockholder, his South downs and Shorthorns having carried

his daughter of Colonel Hotham, by whom he
has a son.

COMMERCIAL PERMANENT BENEFIT BUILDING SOCIETY.

A Society has been established under favourable auspices, for
the benefit of clerks and others. The shares are £20 shares, and
the shares will be at the rate of 5s. per month. The
Society is respectable, and associated as the whole working staff
of interest of London it must be successful. The offices
are in Threadneedle Street, and we should advise
our members to look into the objects of the society and participate

WITHDRAWAL OF THE BANK NOTES ISSUE BILL.

This Bill was announced in the House of Commons on
the 10th inst. by the Chancellor of the Exchequer, who said, in reply to a
question by Mr. Bentineck,
"The Bill, in the view of the government, contains conces-
sions of private notes which they would not be justified in
making, but for the hope of producing the advantage
to the public. But recent proceedings out of doors have shown
that the Bill does not exist, and consequently it is not their inten-
tion to pass that bill. (Cheers.) I must explain that they do not
mean of prosecuting the subject; and in the absence of
any Bill have referred to, it may be their duty to take it upon
themselves (hear)—and they reserve to themselves to consider
whether it would not be right at the first convenient opportunity,
if it will not occur this session, to invite the assistance of
the House of Commons in an inquiry before a committee."
The third reading of the bill was then read and discharged.

DEATH OF MR. ANDREW DRUMMOND

WE deeply regret to announce the death of Mr. Andrew Drummond, of Cadland, and head of the eminent banking firm of Drummond & Co., which took place on the 19th June. Mr. Drummond was surrounded by a large circle of attached personal friends, to whose popular qualities had rendered him very dear. Andrew Berkeley, eldest son of the Hon. Robert Berkeley, of the fourth Viscount Strathallan, by Lady Mary Berkeley, the second Earl of Egmont. The late Mr. Drummond was married to Elizabeth, second daughter of John Henry, fifth Earl of Scarborough and Mr. Ba-

DEATH OF MR. RICHARD THORNTON

THE death of Mr. Richard Thornton, of the firm of Thornton & Co., and West, of Old Swan Wharf, and Lloyd's, took place on the 19th June, at the advanced age of 89. Mr. Thornton was a man of great energy and his principal operations were in the days when the City and other leviathan bankers and merchants made their money. It is computed that he will at least leave £2,500,000, a proportion of which is, no doubt, bequeathed to his family. For many years he had been associated with him in his business, and in recent period he attended the City, and was present at all that was going forward, though he did not take an active part in financial life as he did five or six years ago. Mr. Thornton had a world-wide reputation, and its transactions were of great magnitude. Mr. Thornton, throughout all his life, and privately he disposed of a large amount in his business, and in many years since, schools and almshouses in his neighbourhood, the assistance thus afforded being

SWISS LAW WITH REGARD TO BILLS OF EXCHANGE

A JUDGMENT has recently been pronounced by the Swiss Federal Tribunal, republic and canton of Neuchâtel, which, as is generally received notion of the common law of Switzerland, is of great importance to the commerce of the country. The facts are as follows:—A London banker, at the time of the failure of a certain Swiss house, held two of their drafts upon the bank in London. The latter were unable to meet their obligations, and consequently sent back to Switzerland for presentation. The bills, of course, were not taken up, and a meeting of the Swiss creditors of the firm in question had been held some time previously, and it was decided that no claim should be allowed to rank on the bills until a certain date, which date happened to be before the bills matured. The London creditor appealed to the Swiss Federal Tribunal, which decision, which excluded him from all claim on the bills, the judgment of the highest court has been given against him.

REDUCTION IN THE BANK RATE OF DISCOUNT.

THERE have been two reductions in the rate of discount this month—the first on the 1st of June, and the second on the 15th of June. When these alterations were made it was remarked as follows :—

The Bank court met at an early hour, and after a short deliberation reduced the rate of discount from 4 per cent., at which it was placed a short time ago, to $3\frac{1}{2}$ per cent. until further notice. Before the close of business telegrams from Paris arrived announcing that the Council of the Bank of France had reduced their rate of discount from $3\frac{1}{2}$ to 3 per cent. These movements show that the value of money is rapidly cheapening, and the general impression prevails that we may even yet see the quotation lower. Before the Bank directors separated there was very little discount business transacted; later a moderate degree of activity was noticeable, at the official rate of $3\frac{1}{2}$ per cent., but a scarcity of bills was still said to be experienced. Indeed, some mercantile houses in consequence made investments in securities in preference to allowing their money to be placed out in the open market. In the course of a day or two the rates will become more settled, and again indicate the tendency of quotations. The favourable weather for the harvest is exercising a beneficial effect, and with the present low terms of accommodation, trade should readily improve. The joint-stock banks worked at $3\frac{3}{8}$ per cent., and were enabled to employ the chief portion of their resources.

On the occasion of the second alteration it was observed—

The directors of the Bank of England, at their weekly court to-day, reduced the rate of discount from $3\frac{1}{2}$ to 3 per cent. until further notice. Although the alteration was not generally looked for, the rate of the account, when published this afternoon, showed that the Governor and his colleagues are thoroughly consistent in the course they have pursued, some parties even thinking that the official rate may descend another half per cent. The favourable condition of the weather, the quiet state of trade, and the presumption that the next two months will pass over without any special activity, are circumstances which create much firmness in prices, and lead the public to renew their operations in their various classes of securities. It is highly probable that, with the allowance of 2 per cent. only for deposits at the joint-stock banks, there will be withdrawals for investments, and should the official *minimum* again decline, a greater incentive than ever will be offered to take out money for employment in the manner described. The accounts of the harvest are, on the whole, satisfactory, but it must be remembered that we have a doubtful period still to pass through before the actual result is ascertained. The tone of the different markets was exceedingly satisfactory this afternoon, and though the prices were not in every instance maintained at the extreme advance, the prospects of steadiness are considered to be thoroughly assured.

BARNED'S BANKING CO.

It is intimated that the banking business of the Barked's Banking Co., of Liverpool, is about to be transferred to a new company, under the title of Barked's Banking Co., with a capital of £2,000,000, in 40,000 shares of £50 each, not intended to call up more than £20 per share. The prospectus with regard to directors are not quite complete, but the price to be paid for the business is fixed at £100 per share, in instalments spread over two years, as stipulated. Encouraging promises of support have been received from Liverpool and London, and the present partners are to be directors for five years, retaining at the same time the undertaking. Annexed is a circular addressed to friends and connections:—

"Bank, I

"Dear Sir,—We beg to inform you that we are about to transfer of our business to a joint-stock company, the Barked's Banking Company (Limited), in which we shall have a considerable interest, but continue our personal subscription.

"The prospectus of the company and the name of the company published immediately, but we think it only proper that our friend and respected friend, should first hear of the alteration through any extraneous channel.

"We trust that the confidence which has been reposed in us for more than half a century may be continued. —We are, dear sir, yours faithfully,

CAPE OF GOOD HOPE DEBENTURES.

THE Cape of Good Hope Six per Cent. Debentures, to complete the improvements of the harbour of Algoa Bay, on the 6th June, by the Crown agents for the colony, rose from 100 to 107. The total amount applied for was £1,000,000. The quotation was 100.

Communications.

To the Editor of the "Bankers' Magazine."
MR. GOSCHEN, AND MR. ENDERBY.

SIR,—Your number (255) for June of the present year contains a letter dated at the Royal Institution which is affected because he receives no reply from Mr. Goschen's definition of a "pound." Mr. Enderby remarks that it is a "very simple" one. Mr. Enderby also quotes a statement which does not intend to enter into any discussion with Mr. Goschen, but imputing to Mr. Goschen an inferiority which would

an encounter with Mr. Enderby. He says :—"Mr. Goschen is a young man having a reputation for great talent," and Mr. Enderby supposes that Mr. Goschen "considers himself equal to a disputation with those under whom he has studied, &c." Mr. E. tells Mr. Goschen how many words he can define a "pound" in—"five, or at most eight"—not a hair more. This calls to mind the acumen of Shylock.

Mr. Enderby "entertains very decided opinions on these matters," so, unless Mr. Goschen wishes to engage in an economically political conflict with the Royal Institution ad infinitum he is very wise not to answer this simple question."

If these questions have commanded Mr. Enderby's attention for years, we are surprised that he should fancy his notoriety will become inflated by being small shot from an unknown gun at a public man who has fairly won his position by good sound knowledge, and more particularly from his knowing what a "pound" is, and the difficulty of getting it.

Mr. Enderby says Sir Robert Peel shunned the universities as regards information upon political economy or currency. This we cannot vouch for; the probabilities are immensely in its favour. Sir Robert knew very little about it himself, and we can quite believe the good people from whom he learnt were left far behind at an early stage of the tuition. Political economy and currency questions are subjects the least understood at universities, and can never be thoroughly so until their practical application has been studied also. A university lecture dilating upon a few of the leading theorems of political economy does extremely well to be set down as an ornamental part of a student's education; but is there one student in any university in England who cares, or is interested to know, whether rent forms an element in production or not? Whenever information has been required respecting commercial changes of great magnitude, alterations in bank acts, or note issues, or taxation, recourse has always been had to men whose daily occupation has been the practical investigation of such subjects; such men as Tooke, Ricardo, Lord Overstone, and Gilbart, are the persons who have enlightened parliamentary committees, who sit puzzling their brains until they are obliged to give an answer, and confess they know nothing about it. Who ever heard of sending a university to know whether the Bank of England should continue to be the only issuer of notes in London?

Mr. Goschen, whom our friend pretends to have instructed, has had experience upon the field itself, and, consequently, has produced a book upon foreign exchanges, which he never would have written had he remained at the university, and has consequently secured the chaplet Mr. Enderby looks upon with such unconcealed envy.

A very superior intelligence, such as Mr. Mill's, will drive its way very far through the difficulties which ordinary minds cannot grapple with at all without the assistance of a practical experience. Mr. Mill's book, we must be remembered, is a very clear exposition of the conclusions arrived at by commercial men—men who have passed years in the study of commerce. Mr. Mill could never have raised such a fine-looking fabric as his two volumes on the principles of political economy, had he not commenced the structure on the solid foundations laid by Adam Smith, Fullarton, Ricardo, &c.; and the very slow progress which is made in this science, proves how few are the minds which find a pleasure in its study.

We sincerely hope, in the cause of science, Mr. Enderby may throw some light upon the subject in his forthcoming work; but we must remark

that he does not pave the way to a favourable view of a public man, from whom we are at present under great obligations in a manner savouring of contumely.

Stockholm.

BANKING QUERIES.

SIR,—I should be much obliged if you would answer the following questions.

I am,
Yours faithfully,

20th June, 1865.

1st. It appears by your answer to a note in your Magazine, that a banker may hold, until a cheque is cashed, a cheque remitted to him by another banker, which he may return unpaid. May a cheque which reaches a banker in London, having been passed through his London agents, having been passed through his London agents, having been passed through his London agents, likewise held a day, or is it affected by the law which requires it to be sent it?

2nd. May not a cheque which arrives in the country, be treated as if it had been received through the post?

3rd. Are all forms of deposit receipts and currency notes subject to stamp duty?

[1st. The banker receiving a cheque has the right to retain it for its presentment, and must not, therefore, transmit it to the place of payment. The time required for transmission through the post is provided for.—See case "Hare v. Henty," 12 Q. B. 361, 1861.]

2nd. We think it may.

3rd. They are not liable to stamp duty, provided they are not issued under the terms of exemption.—16 and 17 Vict., c. 59.

MATURITY OF NOTES FALLING DUE.

SIR,—Will you kindly answer the following questions in your valuable periodical.

Does a bill drawn in the following terms become due at the month?—

"On the First of August I promise to pay J. H. 100 Pounds."

Yours faithfully,

[On the 4th August.]

FURTHER BANKING QUERIES.

SIR,—I am obliged for your reply to my communication on page 532.

1st. On referring to your report, page 550, year 1864, it is stated that the Court above for plaintiffs.

any further steps were taken, and also state whether you consider this on, approving endorsements per pro, or the opinion of your correspondent at page 518, 1860, the safer to act upon?

d. I must trouble you again on cheques crossed to a particular bank. Do consider it necessary for such to bear the endorsement of the bank in the name the crossing is made, or is a payment to any clerk from the bank sufficient?
Most respectfully yours,

A SUBSCRIBER.

e. We believe no steps have been taken to reverse the decision then; the opinion of our correspondent is of a prior date to the judgment, and, of course, over-ruled by it.

f. Cheques specially crossed to a banker do not require his endorsement; payment to his clerk is sufficient.]

MR. GOSCHEN AND 7 PER CENT.

Blackburn, June 22, 1865.

g.—In your last impression is a letter by Charles Enderby on Mr. Goschen on "Seven per Cent.," &c., in which the writer says that the value of gold a sovereign must contain is fixed by the Act of 1819 at 123 grains, is it not 123-274 grains?

h. Will you kindly explain why Australian sovereigns are not a legal tender in England, seeing that there has been an Act passed to make them

i. In your magazine for this month your correspondents, "Old Subscribers," ask if the endorsement of a cheque is a "sufficient and legal" receipt for payment of a debt, which question I do not think that you can answer by saying that it is usual to accept the endorsement as a receipt. Should such endorsement be admissible as a legal receipt in a court of law?

Kindly excuse the number of questions.

Your obedient Servant,

T.

j. 1st and 2nd. We have no immediate means of reference to these matters. 3rd. We do not think the endorsement on a cheque is a sufficient and legal receipt for payment of a debt, but only for the amount of the cheque. 4th. The connection between such amount and the debt is a matter of fact.

Estates of Failed Firms.

THE ESTATE OF MESSRS. DIROM, DAVIDSON, & CO.

The creditors of Messrs. Dirom, Davidson, and Co., of Liverpool, who recently failed in the East India trade, met on the 15th June, when it was resolved to accept a composition of 10s. in the pound. The unsecured liabilities ranged from £140,000 to £150,000.

THE ESTATE OF MESSRS. WOODHO

A MEETING of creditors was held on the 23rd house, Kerrich, and Co., of Abchurch Chan announced on the 27th May, when a statement Messrs. Hart, Brothers and Co., showing total with assets stated approximately at £253,932 fully the various matters connected with the mously resolved to liquidate the affairs of the

MERCANTILE SUSPE

THE suspensions announced during the month

Messrs. Fulcher, Cooper & Co., Liverpool
Messrs. Bryon, Hughes & Co., London, p
Messrs. Levick & Co., London, iron trad
Messrs. Levick & Simpson, Blaina, iron
Messrs. A. G. Eumorfopulo & Co., Lond
Messrs. Ernst, Brothers, London, silk ag

MONTHLY CHRONO

June 1.—The directors of the Bank of Eng rate of discount from 4 to $3\frac{1}{2}$ per cent.

The directors of the Bank of France reduc $3\frac{1}{2}$ to 3 per cent.

Suspension announced of Messrs. Fulcher, in the East India trade, with about £400,000

2.—Failure of Messrs. Bryon, Hughes & C provision trade, with liabilities to the extent

14.—Suspension of Messrs. Levick & Co., & Simpson, of Blaina, Monmouthshire, in the reaching to between £350,000 and £400,000.

15.—The directors of the Bank of England discount from $3\frac{1}{2}$ to 3 per cent.

15.—Failure of Messrs. A. G. Eumorfopulo chiefly in the Levant trade, with about £35,000

26.—Suspension reported of Messrs. Ernst silk agents, with debts reaching to about £15

BANKING OBITU

On the 28th May, at Tallymore, near Hen Corbould, late of the Bank of England, in h

On the 12th June, at his residence, Falcon Nichols, of the London and Westminster Bank

On the 17th of June, at Clent, near Stourbridge Adams, of the Stourbridge and Kidderminster bridge, aged 54.

On the 18th of June, at Park Walk, Chelsea, Mr. Walter Powell, formerly of Lombard-street, banker, in the 95th year of his age.
 On the 20th June, at High Elms, Kent, Sir John William Lubbock, Bart., of Lombard-street, banker, in the 93rd year of his age.
 On the 20th June, at Bryanstone-square, Andrew Robert Drummond, Esq., of Charing Cross, banker, and of Cadland, Hants, in the 71st year of his age.

BANK MOVEMENTS.

The directors of the Chartered Mercantile Bank of India, London, and China, have announced a dividend of eight and a half per cent., free of income-tax, for the current half-year, payable to the proprietors on the London register on and after the 1st of July.

The retirement of Mr. Bassett Smith as the manager of the Birmingham Town District Bank has been announced, and he is succeeded by Mr. T. Barney, late manager of the Stamford, Spalding, and Boston Banking Company.

Mr. William James Youell, of the Commercial Bank Corporation of India and Ceylon, has been appointed general manager of "The London and Bombay General Financial and Insurance Agency Corporation, Limited."

The directors of the Bank of Delhi have opened offices in London, and a registration of shares is to be arranged in this country.

A branch of the Anglo-Italian Bank at Naples has just been opened.

The East India Financial Association, Limited, have received their certificate of title to the East India Land Credit and Finance Company, Limited.

TRADE OF THE UNITED KINGDOM.

The Board of Trade returns for the month and four months ended the 31st April were issued on the 31st May, and again show a rather considerable decline in the value of exports, which is to be attributed chiefly to a falling off in wool and woollen manufactures, but as regards other articles the changes are not of much importance. The total declared value of exports for the month last past was £12,071,111, against £13,225,039 in 1864, and £11,897,177 in 1863, being a decrease on the first-named year of £1,153,928, but an increase over the latter of £173,934. For the four months of the present year the total was £47,706,818; for 1864, £52,420; and for 1863, £39,458,381, showing a decline of £2,185,602 compared with 1864, but an increase of £8,248,437 as contrasted with 1863.

The chief variations as regards exports have been an increase in iron and steel, and ale, coals and culm, cotton manufactures, haberdashery and linen manufactures, machinery and seed oil; but a decrease in cotton yarn, earthenware, linen yarn, metals, silk manufactures, wool, woollen and worsted yarn, and woollen manufactures. As regards imports an increase is exhibited in clocks and watches, guano, raw cotton, tallow, wool, woollen manufactures, tea, and tobacco. On the other hand there has been a falling off in raw cotton, flax and hemp, leather

manufactures, flaxseed and linseed, cocoa, wine. In the case of cereals, there has been a decline of barley, oats, and beans, but a decline in wheat-meal, and flour. As respects provisions and lard, show an increase, but salt beef a decline. The annexed tables will exhibit the results referred to :—

EXPORTS.

Coals and culm ...	...	...	...	tons
Cotton manufactures ...	...	...	...	yard
Cotton yarn ...	...	...	...	lbs.
Haberdashery and millinery ...	...	...	...	value
Linen manufactures ...	...	...	...	yard
Linen yarn ...	...	...	...	lbs.
Iron, pig ...	...	...	...	tons
Ditto, railway ...	...	...	...	"
Copper, unwrought ...	...	...	...	cwts
Ditto, sheets, nails, &c. ...	...	...	...	"
Oil, seed ...	...	...	...	gallon
Silk manufactures ...	...	...	...	value
Ditto, thrown ...	...	...	...	lbs.
Spirits, British ...	...	...	...	gallon
Woollen cloths, &c. ...	...	...	...	yard
Woollen and worsted yarn ...	...	...	...	lbs.

IMPORTS.

Cocoa ...	...	...	...	lbs.
Coffee ...	...	...	...	"
Wheat ...	...	...	...	qrs.
Wheat-meal and flour ...	...	...	...	cwts
Cotton, raw ...	...	...	...	"
Flax ...	...	...	...	"
Hemp ...	...	...	...	"
Hides, tanned, &c. ...	...	...	...	lbs.
Leather manufactures ...	...	...	...	pairs
Butter ...	...	...	...	cwts
Cheese ...	...	...	...	"
Flax-seed and linseed ...	...	...	...	qrs.
Silk, raw... ...	...	...	...	lbs.
Silk, thrown ...	...	...	...	"
Silk manufactures ...	...	...	...	"
Spirits ...	...	...	...	gallon
Sugar, unrefined ...	...	...	...	cwts.
Tallow ...	...	...	...	"
Tea ...	...	...	...	lbs.
Tobacco ...	...	...	...	"
Wine ...	...	...	...	gallon
Wool ...	...	...	...	lbs.
Woollen manufactures... ..	...	...	...	value

Monetary Intelligence.

MONETARY REVIEW FOR THE MONTH OF JUNE.

There cannot be said to have been any great alteration in the position of financial and commercial affairs during the month just concluded. A reduction has occurred in the Bank rate of discount to 3 per cent., it having previously stood at $3\frac{1}{2}$ per cent. The condition of the Bank of England and the Bank of France show that both establishments possess a large amount of resources. The terms of accommodation would not have gone lower but for the expectation that there would be a strain at the end of the half-year and quarter, which would tell upon the general market. The average quotation out of doors for first-class paper is now to 3 per cent.; and a great deal of business has been done at 3 and 4 per cent., with a disposition to turn business away and send it to the bank. The effect of this has been to create a heavy pressure there, and between the present date and the fourth the inquiry will, in all probability, be maintained. The bankers and brokers generally complain of the deposits being short, a circumstance always the case at the present season, when agricultural operations are setting in with vigour. The value of money on the continent is generally becoming easier, and with the present state of things there can be no immediate important rise.

The market for English securities has drooped, although the engagements have not been very extensive. The government broker has just concluded his purchases of Reduced and New for the sinking fund, and, therefore, this portion of support has been withdrawn. At the same time a heavy speculative account for the rise has been closed, showing prices in a weak situation. Consols were rather firm on the 29th at 90 to $\frac{1}{4}$ for the day, and the account exchequer bills exhibit steadiness.

No movement of interest has been apparent in foreign stocks. Mexican has been a little firmer; Turkish, after fluctuating, has again been dull; Greek and Spanish exhibit heaviness. The Confederate loan is nearly a failure, and the quotation remains perfectly stationary at 6 to 8.

General stocks and railway shares have latterly improved. The railway market, after having been buoyant and good in the early part of the month, has latterly presented weakness. Though the traffics have been well sustained, the operators do not seem inclined to go for the present, preferring to wait till the elections and the harvest have passed.

Bank finance and credit shares manifest little revival. A moderate amount of business only is transacted, and the public are not likely to be active buyers while an absence of confidence continues general. The Bank of England lends will be satisfactory, and so will those of the finance and credit companies. In the course of the next fortnight we shall be able to ascertain the prospects of many of the establishments.

The produce markets are still very heavy. The accounts from India continue to appear discouraging, and with the exception of cotton there has been no general recovery in prices. The state of credit in Bombay still remains very doubtful.

THE GRAIN TRADE.

In the early part of last month the corn markets had a tightening appearance, and there was a slight advance in prices, but the continuation of a very favourable weather for the growing crops had the effect of stopping

any further rise, and quotations for the lower, but before the close of the month, rain, and some apprehensions that the long have a prejudicial effect upon the yield of an upward tendency. The demand for wheat but the supplies continue abundant, both descriptions. Barley and oats have not but prices remain steady. The latest official quotations per qr.; barley, 27s. 3d., and oats, 23s. 8d.

The Gazette returns for England and Wales

Week ending, 1865,	Wheat. Qrs. sold.	Weekly Average.
May 27	80,224	41 9
June 3	70,443	41 11
" 10	57,704	41 5
" 17	51,802	41 1

The importations since the harvest of 18

Forty-four weeks ended 20th May ...	13,8
Four weeks ended 17th June ...	2,

16,5,

And the weekly averages have been:—

Forty-four weeks ended 20th May ...	3
Four weeks ended 17th June ...	6

More

STATE OF TRADE

THE state of business in the provinces is rather that the approaching elections will interfere with the harvest in some districts will occasion nevertheless, it is expected the year will in a better manner.

NOTICES TO CORRESPONDENTS

We have arranged in future to issue a double number of the *Bankers' Magazine* formerly in May and November. This has been rendered necessary by the Meetings of the Banks and Discount Companies, which are now being held in the pages of the *Bankers' Magazine*. We shall also issue a double number of the *Credit and Finance Companies* as they are more numerous than the former, and our subscribers and readers can refer to them for the latest news. We will please forward communications addressed to the Editors of the *Bankers' Magazine* and orders as usual to Messrs. Groombridge and Sons, Waterlow and Sons, Carpenters' Hall, London. Anecdotes.—It will be perceived from notice elsewhere that the *Bankers' Magazine* is collecting and arranging a series of Bank Anecdotes from subscribers and readers of the *Bankers' Magazine*, particularly if the subject-matter shall not have previously appeared in any personal or offensive will receive publicity. The receipt of such communications is acknowledged.

BANK OF FRANCE. DEBTOR.

	June 1.		June 8.		June 15.		June 22.	
	F.	C.	F.	C.	F.	C.	F.	C.
al of the Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
as in addition to ital (Art. 8, Law June 9, 1857) ...	7,043,871	81	7,044,724	81	7,044,724	81	7,044,776	2
ve of the Bank its branches ...	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
ve in landed pro- erty ...	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
s in circulation ...	809,859,975	0	795,612,975	0	823,371,025	0	797,822,975	0
-notes to order receipts payable ight ...	7,559,889	25	8,548,809	47	7,166,942	33	7,089,816	10
ury account cur- t, creditor... ..	88,418,659	21	91,862,759	19	108,134,024	3	131,499,115	0
nt accounts, Paris branch banks ...	165,374,475	77	173,614,943	35	157,778,862	55	171,816,002	89
ends payable ...	30,703,883	0	30,015,195	0	28,732,185	0	28,234,759	0
unts and sundry rests ...	698,639	75	645,181	75	618,961	75	597,106	75
discounted the last months ...	11,984,390	23	12,425,096	16	12,968,858	86	13,336,333	60
ries... ..	2,789,444	5	2,789,444	5	2,789,444	5	2,789,444	5
	12,653,907	60	11,642,557	77	11,033,346	3	10,642,460	92
Total	1,345,688,975	81	1,342,807,436	69	1,368,745,024	55	1,380,078,539	47

CREDITOR.

	June 1.		June 8.		June 15.		June 22.	
	F.	C.	F.	C.	F.	C.	F.	C.
in hand and cash the branch banks mercial bills over- s ...	490,851,624	93	493,927,231	66	483,894,831	66	497,626,559	43
mercial bills dis- counted, not yet due branch banks ...	13,189,836	31	685,727	41	454,738	71	544,857	52
ances on deposits billion ...	222,627,237	66	234,197,887	91	250,485,361	40	238,262,938	14
branch banks ...	263,417,569	0	267,731,865	0	290,170,505	0	280,197,705	0
on French public curities ...	38,226,296	35	39,029,296	35	39,694,685	15	43,299,285	15
by the branch banks on railway shares d debentures ...	9,111,386	0	10,177,186	0	10,844,686	0	11,755,486	0
by the branch banks in Crédit Foncier nda ...	14,914,800	0	14,994,500	0	15,122,000	0	15,329,000	0
branches ...	9,631,450	0	9,901,950	0	9,768,150	0	9,904,350	0
to the State (Com- mune June 10, 1857) ment stock re- ve ...	30,161,500	0	30,315,100	0	30,546,300	0	30,436,600	0
disposable... ..	15,942,750	0	19,159,250	0	19,296,350	0	19,637,350	0
the Immo- w of June 9, 1857) d and form of Bank, d landed property branches ...	531,100	0	537,200	0	571,100	0	606,100	0
ences of manage- ment ...	403,500	0	403,700	0	420,200	0	435,600	0
aries... ..	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14
	36,557,487	91	36,557,487	91	36,557,487	91	36,557,487	91
	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
	8,494,392	0	8,424,592	0	8,380,212	0	8,383,912	0
	1,834,476	31	1,872,915	10	1,893,781	15	2,226,292	85
	8,882,819	20	11,967,797	21	10,775,885	43	11,894,355	33
Total	1,345,688,975	81	1,342,807,436	69	1,368,745,024	55	1,380,078,539	47

FLUCTUATIONS IN ENGLISH AND FOREIGN RAILWAY SHARES

	Price on May 29.	High
ENGLISH FUNDS.		
Consols	89½ to ½xd	90½
Exchequer Bills	2 pm	5
FOREIGN STOCKS.		
Brazilian	—	9
Buenos Ayres	—	9
Chilian	—	10
Dutch 2½ per cents.	—	6
Mexican	24½	2
Peruvian 4½ per cents.	80½	8
Russian	96½	9
Spanish	48½	4
Turkish 6 per cents.	91½	9
Ditto 4 per cents.	100½	10
RAILWAY SHARES.		
Brighton	106½	10
Caledonian	132½	13
Great Eastern	46½	4
Great Northern	131½	13
Great Western	73½	7
Lancashire and Yorkshire	122	12
London and North Western... ..	122½	12
Midland	135	13
North Staffordshire	77½	8
South Eastern	85½	8
South Western	98½	10
York, Newcastle, and Berwick	110½	11
York and North Midland	102½	10
East Indian	104	10
Northern of France	—	4

CREDIT, FINANCE AND DISCOUNT

	Share.	Paid.	London Latest Prices.	
Australian Mortgage, Land and Finance (Lim.)	25	3	3½	Imperial (Lim.)...
Consolidated Discount (Lim.)	50	10	5	International
Contract Corporation (Lim.)	100	5	1sd	Joint Stock
Crédit Foncier of Mauritius (Limited)	50	10	6½	Land Credit
Crédit Foncier and Mobilier of England	20	5	8½	Land Security
Discount Corporation (Lim.)	100	20	13	London Finance
East India Financial	50	7½	4½	tion (Lim.)
Egyptian Commercial and Trading	20	4	3½	London Mo
English and Foreign Credit Financial Corporation	100	2	...	Mauritius
Financial Discount (Lim.)	50	10	4	Agency of
General Credit and Finance of London (Lim.)	23	4	5½	National D
International Financial Society (Lim.)	20	5	6½	National F
International Contract	50	10	7½	Oriental F
				Ottoman F
				tion (Lim.)
				Société Fin
				(Lim.)...
				South Africa
				Investment
				Warrant F

JOINT-STOCK BANKS.

	London				London		
	Share.	Paid.	latest Price		Share.	Paid.	latest Price
and Masterman's, ...	100	50	118½	London Bank of Mexico and South America (Limited) ...	50	12½	9
New ...	50	25	59	London Bank of Scotland (Lim.) ...	100	13	6
... ..	50	10	5½	London and Brazilian Bank ...	100	40	45
Bank of London	100	25	29½	London, Buenos Ayres and River Plate, Limited ...	100	40	50½
... ..	100	20	24	Ditto, New, issued at 1½ pm. ...	25	10	12½
... ..	20	6	6½	London Chartered of Australia	20	20	23½
... ..	50	12½	12½	London and County Bank ...	50	20	77½
... ..	50	15	11	London, Hamburg, Cont. Exchange (Lim.) ...	100	19	...
Banking Corporation, shares issued at £15 which £7. 10s. is	20	2½	7½	London Joint Stock Bank ...	50	15	50½
Australasia ...	40	40	75	London & South African Bk.	20	20	18
New ...	40	40	74	London and South Western (Limited) ...	100	20	20½
Egypt ...	25	25	31½	Ditto, ditto, New ...	100	17½	17½
London ...	100	50	141½	London and Venezuela (Lim.)	50	12½	8½
... ..	20	8	6½	London & Westminster Bank	100	20	99
... ..	100	25	20½	Mercantile Bank (Limited) ...	100	25	28½
... ..	50	7½	4½	Mercantile Exchange (Lim.)	50	10	7½
... ..	10	10	17½	Metropolitan and Provincial Bank, Limited ...	100	20	15
... ..	50	25	43	Ditto, New ...	100	15	11
... ..	20	10	9	Midland Bank (Limited) ...	100	20	19
... ..	50	50	46½	National Bank ...	50	30	101
Bank of British	20	15	16½	Ditto, New ...	50	25	94
Bank of India	20	20	28½	National of Liverpool (Lim.)	100	10	17
... ..	25	25	40	National Provincial Bank of England ...	100	42	...
... ..	100	50	110½	Ditto, New ...	20	12	...
... ..	100	25	41	Ditto, ditto ...	20	12	...
... ..	20	20	...	New South Wales ...	20	20	42
... ..	25	25	...	New Zealand Bank Corpora- tion (Limited) ...	10	1	1
... ..	10	4	10½	Ditto, New ...	10	1	...
... ..	100	25	...	North Western ...	20	7½	11½
... ..	100	15	...	Oriental Bank ...	25	25	53
... ..	50	5	6	Do. New, issued at 20 pm.	25	25	...
... ..	20	5	4½	Provincia Banking Corpo- ration ...	50	7½	4½
... ..	25	10	12½	Ditto, ditto ...	50	10	7
... ..	20	20	19½	Provincial Bank of Ireland ...	100	25	80
... ..	50	20	16½	Ditto New ...	10	10	...
... ..	50	15	12	Scinde, Punjab and Delhi (Limited) ...	20	10	6½
... ..	100	25	20½	Ditto, issued at 2 pm. ...	20	2	...
... ..	100	25	20½	South Australian ...	25	25	37
... ..	100	15	10	Standard of British Africa (Limited) ...	100	23	18
... ..	100	20	29½	Do. New, issued at 6 pm.	100	10	5
... ..	20	10	16½	Union Bank of Australia ...	25	25	55
... ..	25	25	27	Union Bank of Ireland, Lim.	100	22	18
... ..	25	5	5	Union Bank of London ...	50	15	53½
... ..	20	4	4½				

Bank of England Weekly

Account, pursuant to the Act 7th and 9th of Victoria, cap. 3

ISSUE DEPARTMENT

	1865. May 31.	
	£	
Notes issued	29,569,375	29
Government debt	11,015,100	11
Other securities	3,634,000	3
Gold coin and bullion	14,919,375	14
Silver bullion		
	29,569,375	29

BANKING DEPARTMENT

	1865. May 31.	
	£	
Proprietors' capital	14,553,000	14
Reserve	3,180,279	3
Public deposits (including Exchequer Savings Banks, Commissioners of National Debt, and Dividend Accounts)	8,706,848	8
Other Deposits	13,919,431	13
Seven day and other bills	611,603	
	40,881,161	40
Government Securities (including Dead Weight Annuities)	11,480,025	11
Other Securities	19,823,240	19
Notes	8,658,780	8
Gold and Silver coin	919,116	
	40,881,161	40

THE EXCHANGE

	June 2.	
Amsterdam, short	11 18	1
Ditto 3 months	11 19½	1
Rotterdam, ditto	11 19½	1
Antwerp, ditto	25 47½	2
Brussels, ditto	25 47½	2
Hamburg, ditto	13 9½	1
Paris, short	25 22½	2
Paris, 3 months	25 45	2
Marseilles, ditto	25 47½	2
Frankfort, ditto	120½	
Vienna, ditto	11 20	1
Trieste, ditto	11 20	1
Petersburgh, ditto	31	
Madrid, ditto	47½	
Cadiz, ditto	48½	
Leghorn, ditto	25 67½	2
Milan	25 67½	2
Genoa, ditto	25 67½	2
Naples, ditto	25 60	2
Palermo, ditto	25 60	2
Messina, ditto	25 60	2
Lisbon	51½	
Oporto	51½	

PRICES OF BULLION

	Per Oz. £ s. d.	
Foreign Gold in Bars (Standard)	3 17 9	3
Mexican Dollars	0 0 0	0
Silver in Bars (Standard)	0 5 0½	0

Bankers' Weekly Circulation Returns.

Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		May 6.	May 13.	May 20.	May 27.
	£	£	£	£	£
Bank	11,849	12,046	11,904	11,477	11,646
Bank	48,461	22,006	21,755	21,762	21,190
Biggleswade Bank ...	37,223	17,347	17,384	17,068	16,794
Bank	17,182	3,817	3,723	3,753	3,457
Bank	34,218	29,282	27,404	26,615	26,183
Oxfordshire Bank ...	27,090	14,888	15,175	14,731	14,168
-Claypons and Co....	75,069	73,115	77,695	72,320	71,564
-Gee and Co.....	15,161	15,478	15,675	14,417	13,837
Bank	10,028	7,738	7,764	7,154	6,834
Bank	48,277	19,688	19,412	19,642	18,240
Bridgnorth Bank ...	26,717	13,880	14,040	13,775	13,894
Bank	29,557	20,127	20,070	19,299	19,132
olk Bank.....	82,362	48,202	48,392	47,604	47,417
Bank	43,457	24,535	24,195	23,995	24,012
Bank	55,153	20,775	20,288	20,214	20,448
Leighton Buzzard Bk.	36,829	33,105	33,396	33,553	33,871
Bk.—Lloyds & Co. ...	38,816	12,325	8,372	6,390	5,207
Bank	68,271	42,730	44,337	43,587	44,440
on Bank	33,794	18,793	18,711	18,705	17,986
nd Driffield Bank....	12,745	11,966	11,449	12,439	11,570
und's Bank.....	3,201	3,035	2,891	2,885	2,884
k.—Mortlock & Co.	25,744	12,817	12,731	12,225	12,092
nd Cambridgeshire Bk.	49,916	40,074	39,841	40,136	40,767
Bank	33,671	28,229	26,520	26,001	25,908
Bank	23,597	12,837	13,858	14,133	15,052
Bank	3,436	2,738	2,517	2,786	3,096
Bank	25,082	18,414	20,119	18,925	18,468
nd Essex Bank	48,704	31,588	31,055	30,212	30,263
—Tweedy & Co. ...	49,869	27,515	27,262	26,681	26,628
Bank	12,045	4,185	3,920	4,218	3,984
eter.....	21,527	15,817	15,852	15,747	15,370
—Alcocks & Co. ...	77,154	76,358	75,630	74,275	72,087
Bank	9,387	7,890	7,122	6,544	6,565
—Messrs. Evans & Co.	13,332	11,366	10,866	10,292	9,901
—Smith and Co.	41,304	36,016	33,797	32,517	32,703
Bank	27,237	24,050	25,829	26,440	25,200
Wiltshire Bank	20,674	7,214	7,015	6,562	6,360
Bank	10,657	9,741	9,954	10,140	10,319
Bank and Retford Bank	77,400	68,431	66,825	66,562	66,161
Bank	86,218	85,000	88,167	83,898	79,777
Bank	10,664	6,153	5,645	6,249	6,566
Bank	48,807	37,358	37,455	38,268	37,204
Bk.—Robins & Co.	112,280	75,351	75,918	75,353	74,458
Bank	53,392	52,938	51,375	52,049	51,751
Bishop's Stortford Bk.	69,637	38,999	38,619	38,505	38,030
Bank	37,894	20,495	19,729	19,328	19,260
Bank	14,202	5,346	5,562	5,757	5,863
Bank	6,681	5,521	5,797	5,532	5,699
Bank	6,322	5,482	5,320	4,875	4,845
Bank	14,524	11,598	12,756	11,904	11,515
Bank—Hardy and Co.	30,372	27,035	27,997	28,437	26,102
ton-upon-Hull Bank .	19,979	18,805	18,745	18,147	17,890
own & County Bank	56,591	34,268	34,636	33,543	33,359
Bank	5,778	5,222	5,130	4,708	4,754
Hitchin Bank	38,764	34,797	33,912	33,033	32,567
Bank	21,901	18,845	18,309	17,965	17,676

NAME OF BANK.	Author- ized Issue.	Ma
	£	
57 Ipswich & Needham Market Bank	80,699	54
58 Kentish Bank—Mercer & Co.	19,895	13
59 Kington and Radnorshire Bank....	26,050	17
60 Knaresborough Old Bank	21,825	2
61 Kendal Bank	44,663	43
62 Loughton Staffordshire Bank	5,624	5
63 Leeds Bank	53,357	52
64 Leeds Union Bank	37,459	36
65 Leicester Bank.....	32,322	28
66 Lewes Old Bank	44,836	26
67 Lincoln Bank	100,342	99
68 Llandoverly Bank & Llandilo Bank	32,945	10
69 Loughborough Bank	7,359	7
70 Lymington Bank.....	5,038	3
71 Lynn Regis and Lincolnshire Bank	42,817	30
72 Lynn Regis and Norfolk Bank ...	13,917	12
73 Macclesfield Bank	15,760	13
74 Manningtree Bank	7,692	5
75 Merionethshire Bank	10,906	7
76 Miners' Bank	18,688	17
77 Monmouthshire Agricultural and Commercial Bank	29,335	29
78 Monmouth Old Bank	16,385	4
79 Newark Bank	28,788	22
80 Newark and Sleaford Bank	51,615	47
81 Newbury Bank.....	36,787	14
82 Newmarket Bank.....	23,098	18
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	44
84 Norwich and Norfolk Bank	105,519	79
85 Nottingham & Nottinghamsh. Bk.	10,866	9
86 Naval Bank, Plymouth	27,321	21
87 New Sarum Bk.—Pinckneys, Bros.	15,659	7
88 Nottingham Bank	31,047	25
89 Oswestry Bank	18,471	12
90 Oxford Old Bank.....	34,391	34
91 Old Bank, Tonbridge	13,183	9
92 Oxfordshire Witney Bank	11,852	8
93 Pease's Old Bank, Hull	48,807	45
94 Penzance Bank	11,405	9
95 Pembrokeshire Bank	12,910	9
96 Reading Bank—Simonds & Co....	37,519	27
97 Reading Bk.—Stephens, Blandy & Co.	43,271	28
98 Richmond Bank, Yorkshire	6,889	7
99 Rochdale Bank	5,590	1
100 Royston Bank	16,393	8
101 Rugby Bank.....	17,250	9
102 Rye Bank	29,864	10
103 Saffron Walden & North Essex Bk.	47,646	21
104 Salop Bank	22,338	10
105 Scarborough Old Bank	24,813	23
106 Shrewsbury Old Bank.....	43,191	31
107 Sittingbourne and Milton Bank ..	4,789	3
108 Southampton Town & County Bk.	18,589	9
109 Southwell Bank	14,744	8
110 Southampton and Hampshire Bk.	6,770	2
111 Stafford Old Bank	14,166	11
112 Stamford and Rutland Bank	31,858	18
113 Shrewsbury and Welsh Pool Bank	25,336	24
114 Taunton Bank	29,799	19
115 Tavistock Bank	13,421	13

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		May 6.	May 13.	May 20.	May 27.
	£	£	£	£	£
Bank	10,026	9,293	9,060	8,896	7,873
and Devonshire Bank ...	13,470	11,302	10,423	9,799	9,812
and Kettering Bank...	11,559	11,608	11,437	11,085	11,615
and Chesham Bank...	13,531	12,885	12,800	12,470	12,802
Old Bank	10,801	6,000	6,239	6,018	6,286
Bank, Cornwall	17,003	14,233	14,203	13,308	13,088
Old Bank	25,136	8,282	8,235	8,329	7,702
Bank	17,064	5,397	5,399	5,425	5,225
and Warwickshire Bank	30,504	17,442	18,018	17,756	17,092
Bank, Somerset	6,528	2,084	1,838	1,664	1,713
Bank	46,156	42,725	41,758	40,958	39,361
Bank	14,258	13,857	14,009	14,068	13,711
, Alresford & Alton Bk.	25,892	9,810	9,919	9,690	9,402
Old Bank	16,461	16,093	15,319	15,919	15,897
and Derbyshire Bk.	37,602	36,792	35,043	36,006	35,843
and Lincolnshire Bank	59,713	40,440	39,905	39,176	37,833
Bank	7,602	3,320	3,708	4,755	4,466
Old Bank	87,448	46,630	45,291	45,136	44,098
Bank.—R. & W. Fryer	11,867	7,231	7,529	7,275	6,916
and Suffolk Bank	53,060	37,295	35,886	36,236	35,709
Norfolk, & Suffolk Bk.	13,229	8,502	9,015	8,784	8,175
Bank	46,387	42,527	42,612	41,546	41,082

JOINT STOCK BANKS.

Westmorland	12,225	12,015	11,887	11,951	11,690
Banking Company	9,563	9,419	9,197	9,215	9,018
Banking Company	49,292	48,362	48,523	48,409	47,244
Banking Company	9,418	7,007	7,762	7,695	7,973
Bank	32,681	31,208	30,423	29,973	29,869
Commercial Banking Co.	20,084	19,774	19,932	20,222	20,048
Bank, and Staffordshire					
Banking Co.	60,701	59,355	58,184	56,950	53,893
& N. Derbysh. Bk. Co.	10,421	9,450	9,634	9,965	9,459
Union Banking Co.	35,395	34,950	34,256	34,725	34,649
and Warwickshire Bk. Co.	28,734	14,593	14,395	14,030	13,926
Banking Company	16,251	11,985	11,253	12,277	12,106
Gloucester Banking Co.	144,352	103,910	101,026	99,194	97,405
Lancashire Banking Co.	25,610	27,115	27,225	26,022	21,707
Bank and District Bank ...	19,972	19,991	19,584	19,541	19,923
West Bromwich Bk. Co.	37,696	22,903	22,928	23,843	24,318
Derbyshire Banking Co.	20,093	19,038	18,967	18,607	18,208
Dist. Joint Stock Bk. Co.	26,134	29,513	28,868	24,685	21,120
Banking Company	155,920	140,966	142,509	143,801	138,685
Bank	18,534	16,562	16,941	16,910	16,477
Banking Company	37,354	33,299	32,784	32,834	32,041
Banking Company	29,333	26,736	28,594	29,625	29,698
Commercial Banking Co.	13,733	13,700	13,668	13,500	13,000
Huddersfield Union Bk.	44,137	34,973	35,098	34,896	33,255
Banking Company	1,503	1,528	1,462	1,535	1,458
Bank and Clarno Bk. Co.	28,059	28,539	27,163	26,380	26,320
Banking Company	64,311	65,876	61,575	60,194	59,067
Banking Company	86,060	71,345	71,075	68,347	63,201
Lindsey Banking Co.	51,620	53,686	54,984	51,408	43,833
Bank, Priors and Warwick-					
Banking Co.	13,875	10,280	9,676	9,681	9,533
Tenbury Bank	10,215	9,732	9,425	9,483	8,830
Robinson's Notts. Bank...	35,813	27,683	28,198	26,754	25,601
Bank and Notts. Banking Co.	29,477	29,322	28,192	28,620	27,220
Provincial Bk. of England	442,371	426,069	429,830	433,211	424,433
Banking Company	63,939	43,530	44,139	42,898	39,364

NAME OF BANK.	Authorized Issue.	May 6.	
		£	£
35 Northamptonshire Union Bank ...	84,356	67,100	
36 Northamptonshire Banking Co. ...	26,401	20,737	
37 North and South Wales Bank	63,951	62,113	
38 Parc's Leicestershire Banking Co...	59,300	54,800	
39 Saddleworth Banking Company ...	8,122	335	
40 Sheffield Banking Company	35,843	37,711	
41 Stamford, Spalding & Boston Bk. Co.	55,721	52,795	
42 Stuckey's Banking Company	356,976	325,859	
43 Shropshire Banking Company	47,951	37,545	
44 Stourbridge and Kidderminster Bk.	56,830	51,139	
45 Sheffield and Hallamshire Bank ...	23,524	23,074	
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	53,921	
47 Swaledale and Wensleydale Bank..	54,372	53,248	
48 Wolverhampton & Staffordsh. Bk..	35,378	21,610	
49 Wakefield and Barnsley Union Bk.	14,604	14,564	
50 Whitehaven Joint Stock Bank ...	31,916	26,040	
51 Warwick and Leamington Bk. Co.	37,124	26,337	
52 West of Eng. & S. Wales District Bk.	83,535	79,206	
53 Wilts & Dorset Banking Company	76,162	74,411	
54 West Riding Union Banking Co....	34,029	32,538	
55 Whitechurch and Ellesmere Bk. Co.	7,475	5,896	
56 Worcester City and County Bk. Co.	6,848	6,686	
57 York Union Banking Company ...	71,240	70,150	
58 York City and County Banking Co.	94,695	89,096	
59 Yorkshire Banking Company	122,532	113,922	

Irish and Scotch Circulation

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS, during the
weeks ending Saturday, the 27th day of

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation ending	
		£s and upwards.	Under
	£	£	
Bank of Ireland	3,738,428	1,598,200	1,020,000
Provincial Bank of Ireland	927,667	398,338	457,000
Belfast Bank	281,611	123,212	290,000
Northern Bank	243,440	104,145	253,000
Ulster Bank	311,079	165,500	296,000
The National Bank	852,269	663,286	559,000
TOTALS (Irish Banks) ...	6,354,494	3,052,761	2,877,000

SCOTCH BANKS

Bank of Scotland	300,485	188,016	341,000
Royal Bank of Scotland ...	216,451	218,537	362,000
British Linen Company	438,024	195,453	328,000
Commercial Bk. of Scotland ..	374,880	201,836	370,000
National Bank of Scotland..	297,024	177,551	312,000
Union Bank of Scotland	454,346	202,056	385,000
Aberdeen Town and Co. Bk.	70,133	72,247	83,000
North of Scotland Bk. Co....	154,319	131,828	117,000
Clydesdale Banking Co. ...	274,321	148,133	250,000
City of Glasgow Bank	72,921	126,723	239,000
Caledonian Banking Co. ...	53,434	26,312	49,000
Central Bank of Scotland...	42,933	27,183	38,000
TOTALS (Scotch Banks)...	2,749,271	1,715,915	2,881,000

SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	May 6.	May 13.	May 20.	May 27.
Private Banks	£4,189,091	£3,042,442	£3,035,981	£2,994,894	£2,928,868
Joint-Stock Banks ...	3,226,357	2,915,357	2,907,519	2,831,892	2,786,716
Totals.....	7,415,448	5,957,799	5,943,500	5,876,786	5,715,584

Weekly Circulation of these Banks for month ending May 27th:—

Private Banks	£3,000,546
Joint-Stock Banks	2,847,871

Weekly Circulation of Private Joint-Stock Banks ending as above £5,848,417

On comparison of the above with the Returns for month ending April 29th last, it shows:—

Decrease in the notes of Private Banks, of	£39,935
Decrease in the notes of Joint-Stock Banks, of	48,039
Total decrease on the month... ..	£88,024

And as compared with the month ending May 28th, 1864, it shows:—

A decrease in the notes of Private Banks, of	£217,673
A decrease in the notes of Joint-Stock Banks, of	148,755

Total decrease, as compared with the same period of last year £366,428

The following is the comparative state of the circulation as regards the fixed issues:—

The Private Banks are below their fixed issues	£1,188,545
The Joint-Stock Banks are below their fixed issues	379,486

Total below their fixed issues ... £1,567,031

SUMMARY OF IRISH & SCOTCH RETURNS TO MAY 27, 1865.

Returns of Circulation of the Irish and Scotch Banks for the four weeks ending May 27th, 1865, when added together, give the following average weekly circulation of these Banks for the past month, viz.:

Average Circulation of the Irish Banks £5,930,449

Average Circulation of the Scotch Banks 4,596,951

Average Circulation of these banks for the past month £10,527,400

On comparing these amounts with the Returns for month ending 29th April last, they show:—

Decrease in the Circulation of Irish Banks £72,352

Decrease in the Circulation of Scotch Banks 445,795

Total decrease on the month £518,147

As compared with the month ending May 28th, 1864, they show:—

Decrease in the Circulation of Irish Banks £138,981

Decrease in the Circulation of Scotch Banks 64,411

Total decrease on the year £203,392

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue... £6,354,494

12 Banks in Scotland, allowed to issue 2,749,271

18 Banks in all, allowed to issue £9,103,765

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are below their fixed issue £424,045

Scotch Banks are above their fixed issue 1,847,680

Total above the fixed issue £1,423,635

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks £2,104,816

Gold and Silver held by the Scotch Banks 2,495,198

Total of Gold and Silver Coin..... £4,600,014

Being a decrease of £19,083 on the part of the Irish Banks, and an increase of £177,039 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

CIRCULATION OF THE UNITED KINGDOM TO MAY 27, 1865.

The following is the state of the Note Circulation of the United Kingdom for the month ending May 27th, 1865:—

Circulation of Notes for the Month ending 27th May, as compared with the previous month:—

	April 29.	May 27.	Increase.	Decrease.
Bank of England (month ending May 24)	£21,051,670	£21,251,547	199,977	—
Private Banks	3,040,531	3,000,546	—	39,985
Joint-Stock Banks	2,895,910	2,847,871	—	48,039
Bank of England	26,988,011	27,099,964	199,977	88,024
Private Banks	4,151,156	4,596,951	445,795	—
Joint-Stock Banks	5,859,097	5,930,449	72,352	—
United Kingdom.....	£36,997,264	£37,627,364	£718,124	88,024

On comparison of the month ending May 28th, 1864, with the month ending May 27th, 1865, it shows an increase in the Bank of England circulation of £331,687, a decrease in Private Banks of £39,985, and a decrease in Joint-Stock Banks of £48,039; being a total decrease in England of £34,741; and in Scotland there is an increase of £64,411; and in Ireland an increase of £138,981. Thus the total for the month ending 27th May, as compared with the same period last year, presents a total increase of £34,741 in England, and an increase of £163,651 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending May 24th, gives an amount in both departments of £14,966,314. On a comparison of this with the Return for month ending April 26th, there appears to be a decrease of £14,080; and an increase of £1,831,093 compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 27th May, 1865, was £4,600,014; being an increase of £177,043 as compared with the Return of the previous month, and an increase of £203,459 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 27th May to 27th June, 1865, inclusive.

	27	29	30	31	1	2	3	5	6	7	8	9	10	12	13	14	15	16	17	19	20	21	22	23	24	26	27
Bank Stock, 5½ per cent, last half-year	240½	240½	243	...	242½	...	241½	...	241½	244	...	...	...	...	...	...	...	244½	...	245	247	250	248	249	249	240	249
3 per Cent. Reduced Annuities. ...	89	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
3 per Cent. Consols Annuities. ...	91	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½	91½
Ditto ditto for account June 8	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
Ditto ditto ditto July 6	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
New 3 per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New 3½ per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
New 5 per Cent. ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Annuities for 30 years ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto 30 years ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto (1st Sea Telegraph) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto (2nd Sea Telegraph) ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
India Stock, 10½ per cent. April, 1874...	217	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto 5 " " July, 1870...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto 4 " " Oct., 1868...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto Enfaced Paper, 4 per cent.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto 5 " "	100	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto 5½ " "	107½	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto Loan Debentures, 1868	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto Bonds £1,000 (div. 5 per cent.)	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto under £1,000 ...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Exchequer Bills £1,000, 3 & 3½ per cent.	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto £100	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Ditto ditto £100 & 200 " "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...

THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

AUGUST, 1865.

OVEREND, GURNEY AND CO., LIMITED.

THE transformation of Overend, Gurney and Co.'s far-famed discount establishment into a joint-stock company, marks another era in the history of limited liability. The progress of the lately naturalised principle towards universal adoption has indeed been little short of marvellous. Only four years ago it was introduced to the commercial world as a doubtful experiment. Its failure was prophesied by enemies, numerous and confident, and its most earnest advocates did not venture to anticipate for it more than a qualified success. That "limited" concerns might, perhaps, be able to hold their own in competition with private firms and companies with unrestricted partnership responsibilities, was what only a few very sanguine spirits ventured to hope. A formidable band of financial magnates arrayed themselves against it, and, with few exceptions, the representatives of the moneyed interest looked upon it with unconcealed dislike and apprehension; and yet, so completely was the experiment succeeded, that all these vaticinations have already passed out of memory. Limited liability is the one grand resource of every one with a business to sell, an idea to develop, a trade to create, or a fortune-making scheme to propound. From £100,000,000 in 1863, the limited liability companies rose to over £188,000,000 in 1864, and during the present year they have gone on increasing at a still more rapid rate. Like the fabled Sphynx, limited liability threatens to devour everything that cannot fulfil its conditions; or, to change the figure, it may be regarded as a tree which has had no sapling growth, but has passed at once from the condition of a tender

and fragile shoot to that of a sturdy and of the forest. Not only has it taken root, but has sent out its feeders deep and wide into the rounding soil. Not only has it raised its branches far and near, and has borne an extent that, before long, half the produce be borne upon it.

It may be taken as a conclusive proof of principle, that, within so short a period, bitter opponents into fast friends and converts of the benefits they had once decried. Our country how coolly it was looked upon by the business community, many thought that public confidence could be established in establishments whose every shareholder was a witness which actually overtook the unfortunate Royal British, the Northumberland and Western of Scotland, and sundry other corporations. When the directors of these companies resolved to reconstitute their companies, there were many who shook their heads at the coming of some great disaster to the bold course so unusual, and when one or two followed suit, the course they took was with and no little astonishment.

A glance down the share list will show these apprehensions. The share list of Masterman's, a "limited" establishment, a private bank with a joint-stock concern of The Albion Bank has swallowed up the Challis, and the London and Westminster Co. It is true that in this last instance, at the old footing, but it is well known that Loyd and Co. with the London and Westminster the merging of Hankey's and Kennard's Consolidated Bank, Limited. Going in among many others, that Loyd, Entwistle have gone into one limited company, and Birmingham into another. Barnard's of London in its new dress, while in the small town Stock Bank has absorbed concerns of credit and respectability as Days, of Margate; Deedes, of Canterbury; and

After the successful adoption of the establishments of long established reputation, surprising to find an increasing disposition

commercial enterprise. Already, we have almost all manufacturing business conducted by limited companies. Some of our largest ship-building and engineering have passed from the hands of private firms. Three great corporations are competing for business which have been in the hands of commercial mammoths. Conveyance companies, limited, are numerous. Companies on the new principle have sunk iron mines, struck oil wells in Trinidad, planted tea in Assam, opened Canada as a field for investment. Limited companies have undertaken to teach the Egyptians the principles of agriculture, and the Russians the practice of ship-building; to improve South American cities, to construct railways at the antipodes. Of financial companies, nothing, as they may be called the creatures of the modern age, has called into existence, but if we may judge by the progress, we are as yet only at the beginning of the career. All that limited liability has done is but an indication of what it is destined to do.

As we have already enumerated, many have always been peculiarly within the province of joint-stock companies. With their recent legislation has wrought no greater change than has been effected by diminishing the power of the individual speculator. But it had become a fact that some branches of commerce as fitted only for companies. Companies, it was said, could only manufacture when they went into those exceptional cases which required capital beyond individual means. Confined to mere buying and selling, we were told they could never compete with concerns of which some man of business was the head. But though there is an appearance of plausibility in all this, it is an appearance only. The shares of the Great Eastern Dock and Warehouse stand at a premium of 70 per cent. The success has brought competitors of the company into the market already, and others, we believe, will appear. Some of our most celebrated printing and publishing establishments are now doing business as limited companies. The multiplication of hotels owned by similar organizations is a simplification of the principle which has tended to the improvement of towns, and which promises greatly to benefit the general public. Only the other day, three first-class companies coalesced that they might carry on the business of merchants in conjunction with £100 shareholders. This is the latest, and probably the greatest triumph

which limited liability has yet achieved, is the Messrs. Gurney have followed the extensive establishment into a similar and Co., limited, will henceforth be a stock official lists, side by side with the Consols, the National, and other discount establishments. any claim to the gift of prophecy, we must see that the position of the new company will be as the standing of the house to whose business is indeed one feature in the prospectus, room for great difference of opinion. Valued at half a million for the goodwill of the firm, it is seen that this sum amounts to one-third of the capital is proposed to call up at present, so that the of future profits will be absorbed in paying dividends which has ceased to be actively productive, however, that the consideration is excessive. I assume that the eminent gentlemen who are members of the board, have carefully calculated the value of buying. It is said that the sum fixed for the profits realised during the last three years is also that the house has always possessed a high and that its connexions have been of a high character, the wealth of the Gurneys is a proverb. Under these circumstances, it would not be too large a sum for the vendors to receive. However, is a question of detail which interests the firm to settle for themselves, and into which I do not enter minutely. The great fact remains that the modern practice of mercantile enterprise, first carried to a great pitch of success, has abandoned its old traditions. Not even the old firms, as Jones, Loyd, or Loyd Brothers, or the old banks, has been proof against the inducements of limited liability which limited liability holds out. In so far as the transition may awaken a sentiment of regret on the whole, every one has reason to be gratified that the members of the firm, if they lose some of their good deal in pocket, and something also in the division of their responsibility, especially in the difficulty. To depositors and discounters, it is an advantage to have the unpaid capital in the hands of holders, as a practically inexhaustible resource. And to the political economist it is a source of satisfaction to see the mass of small capitalists admitted to the same

profits which result from great commercial undertakings. A few years ago, it seemed as if all who lived by trade would have to separate into two classes—the large capitalists and their employés. The small trader, who, in the days of our forefathers began with a few hundreds, or as many thousands, was in danger of being improved off the face of the earth. Like the petty German princes, he was to lose the advantage of a separate existence, and to become the paid servant of some commercial giant, who ground his gold out of other people's bones. His tendency to make the rich richer and the poor poorer, has, we are glad to say, received a check. By joint-stock associations with limited liability, every one who has a few pounds to invest can become a partner in some great trading concern. Even after making great allowance for errors, failures, and frauds, the system works well for the shareholders, every one knows; and the conversion of Gurney and Overend's business into a corporation on the new principle, is only an additional illustration of its soundness, and of the confidence with which it may be regarded by every class of investors.

THE NEW LAW OF PARTNERSHIP.

THE Act to amend the Law of Partnership, can hardly be considered as a triumph of commercial legislation. Its enactment may be considered as yet another tribute to the power of limited liability; a principle which has already done much to facilitate commercial operations, and to bring a share of the profits of trade within the reach of every man. The success of companies formed upon this basis, has been so decided as to awaken a desire for private partnerships of a similar character, to which traders might enter without making their entire property liable for the debts of the firm; and to this feeling we owe the present measure, which attempts, but not very satisfactorily attempts, to supply the *desideratum*.

We are far from saying that joint-stock companies are the only commercial organizations to which limited liability can properly be applied. On the contrary, we believe that it may very advantageously be adopted in ordinary trading concerns, and that the opposite rule has, in some instances, been pushed rather too far. Perhaps we ought to be thankful for the new Act as the first step in the right direction, but, nevertheless, we must confess that we cannot regard it without grave dissatisfaction. It is a piece of legislative patchwork; an experiment

whose success is more than doubtful; a persons, who up to this time would have contemplated of law, at the expense remain or become creditors in fact. provision whatever for enabling a creditor between a limited and an unlimited company or more persons interested in the same is responsible only for what he has advanced remains liable for the debts of any and the Act is simply, a tribute to the argument. Because the application of the legal principle of partnership involves, has been attended with some hardships, the Act has produced certain apparent hardships, the Act have prevailed upon the legislature, not on principles erroneous, but to declare by statute that in such instances, they shall not apply. Such a measure and never can be satisfactory. It is as erroneous as a quack doctor who tries to make local applications of curative medicines, or as the attempts to define the extent to which nature abhors.

The provisions of the Act, though very numerous. In half-a-dozen clauses to settle off-hand some of the nicest questions that arise in commercial transactions. The Act provides that the loan of money to a person who engages in any undertaking, upon a contract receiving interest varying with the profits, shall not of itself make the lender a partner. We should imagine that every legal practitioner, on this clause, with the liveliest satisfaction, would raise some issues out of this," we once heard of a case to some professional brethren, with whom we were testing the rights of their respective courts. With equal satisfaction, sharp points were raised upon the new Partnership Act in general, and in particular. In the first place, the Act requires "writing." But will a mere memorandum satisfy the requirements of the Statute of Frauds? The wording of the statute would certainly be so, but on the other hand, will not every contract of necessity be in the nature of "an agreement under seal"? Is a stamp necessary? *Ex abundanti cautela*. We leave our readers not to give themselves the trouble of arguing when considering this point. But the Act does contain a much grander element of

though the loan of money *of itself* is not to make a partner of a man who takes part of the profits, yet the loan taken in conjunction with other acts may do so. Therefore if the lender would be safe, if he would not have the Act to amend the law of partnership lure him on to destruction, he must take especial care how he buys goods, makes contracts, visits the premises, or does anything else that may be tortured into "holding himself out to the world" as a partner. Let him fail in his precautions, let him relinquish his reserve, and he may be sure that each ambiguity in the written contract will be closely scanned by astute attorneys and clever counsel; each doubtful act of lender or borrower will be scrutinized and magnified, and the question of fact, whether he has or has not impliedly made himself responsible, will have to be tried before a jury of traders, whose instinct and interest alike will lean towards the plaintiff. On the other hand, the struggle will, in most cases, be for very existence, for escape from utter ruin. So that we confidently look for rules *nisi* and absolute, new trials, points reserved, appeals to the court *in banco*, proceedings in error and in the House of Lords, to an extent which we have no doubt will be highly gratifying to dwellers in the Temple and Lincoln's Inn, but not near so satisfactory to those who congregate on 'Change or do business in Threadneedle Street.

The second clause provides that a contract for remunerating a servant or agent by a share of the profits shall not, *of itself*, make the servant a partner; a provision which after the decision in "*Harrington v. Churchward*"* seems hardly necessary. The third clause gives a similar exemption to widows and children of deceased partners, who receive, by way of annuity, a portion of the profits of a business; and the fourth clause provides that no person receiving by way of annuity, *or otherwise*, a portion of the profits of any business, in payment for the goodwill thereof, shall be deemed a partner by reason only of such receipt. This is a very singular section. It gives an advantage to the vendor of a goodwill on credit, which it withholds from the vendor of stock-in-trade. Let A B sell his stock-in-trade for £5,000, and his goodwill for £2,000. If he lets the £2,000 stand over on arrangement to pay it out of a specified portion of the profits, he is a creditor, but if he gives the purchaser credit on the same terms, for any portion of the stock, he becomes a partner, for what reason we cannot for the life of us divine.

Another element of ambiguity is to be found in the use of the term "portion of the profits," in the third and fourth clauses.

* 29, Law Journal, N.S., ch. 521.

No widow or child of a deceased partner who of the profits" by way of annuity, is to be that account alone. But how will such persons receive their annuities, though no profits be made to them in any particular year, so as to be below their claim? And if the trader comes within the third or fourth section with the partner bankrupt, how will matters stand between the creditors? The fifth section provides that if a partner becomes bankrupt, or takes the benefit of a law of insolvent debtors (this proviso having been introduced through a happy forgetfulness of the abolition of the law by Lord Westbury's Bankruptcy Statute), his creditors, the money lender or goods creditor, shall be postponed to other creditors, and shall not be paid until their debts are satisfied. It may be doubted whether the interests of creditors are sufficiently secured by these provisions. Cases may arise in which money is paid on account of these annuities, at a time when the trader is insolvent. Nay more, it may be proved that the insolvency of such creditors, has arisen from the non-payment. It will then be a question whether the trader is entitled to retain the moneys paid, or whether he is to refund what he has thus improperly received. Without these defects, we are not influenced by the principle of limited liability, as applied to partnerships. We believe that a measure with this object might beneficially be passed, and that it would be supported by the great body of the mercantile community. The subject to the Act as it stands, as a halting place, is like a new piece put into an old garment, as a stopper in old bottles. The true test of partnership is the English law, was well laid down in the case of *Hickman*.* A firm of iron merchants gave to a partner executed a deed of arrangement. They gave the property to five trustees (the defendants), who were to carry on the business and divide the profits among themselves included. They did so, and as the deed was in expectation, a creditor whose debt had been secured by the deed of arrangement had been excluded from the deed to make the trustees personally liable, on the ground that they had participated in the profits, and were therefore liable for losses. It was very properly held that

* 8, House of Lords Cases, 2

ient; that, as stated by the present Lord Chancellor, "the real ground of partnership liability, is that the trade has been carried on *by persons acting on the defendants' behalf*," for, as Lord Wensleydale added, "the principle is that of principal and agent." Our great objection to the new measure is that it ignores this principle. The man who puts money into a concern that another may use it for his profit, seems to authorize that person to act on his behalf, and therefore it would seem that he ought to be liable for what happens. But the Act says no to all this. It gives advantages to certain classes of *quasi* partners, at the expense of *bonâ fide* creditors. The capitalist who lends his money to a trader; the successful merchant who sells his business and leaves the price of his goodwill to be paid for out of future profits; and even the widow or child of a deceased trader, may go on, with the reputation of "having something to do with the concern," and in the actual receipt of money from its funds, while ordinary creditors have no satisfactory means of ascertaining what their relations to the concern really are. There need be no difficulty in remedying this, or in framing a measure which shall secure the end proposed, without jeopardizing the interests involved. Let registration be made compulsory in limited partnerships, as well as on limited companies, and let the former, like the latter, be compelled to adopt some addition to the style of the firm, that shall at once let the world know the position of the house. There will then be no cause of complaint on the part of creditors, and but little room for evasion on the side of debtors. If an agreement stamp be held unnecessary, it will be in the power of any two persons who may agree so to act, to get rid of partnership liability by a document bearing date at the commencement of the partnership, though really written long afterwards. Annuitants of certain favoured classes, may draw upon the partnership funds, and ruin the partnership prospects, without taking any share of the partnership liabilities; and from the sense of injustice which this state of things will infallibly engender, we may confidently augur a succession of hard fights at the bar, irreconcilable verdicts from the jury box, and anomalous decisions from the bench.

REVIEW OF THE INDIA

ONE of the most important discussions in the House of Commons was engaged took place at the end of June in a thin house, and by a sickly minister. In the position under which Sir Charles Wood came down at the end of June to meet the Indian Budget, much sympathy was felt for him. He made such a gallant struggle against the opposition, triumphing over and bending to its powers. But the question remains: will the affairs of India be delayed to so late a date? Now that Parliament has become directly responsible to the good government of that teeming population, it is an annual survey of its condition—its social and financial state so deeply embedded in its financial policy, that when the session counts the remainder of the year in weeks but by days, when the members are seeing there can be no further adjournment, the minister might deprive Parliament of the budget for a whole twelvemonth. This has been asked before, and no satisfactory result has been obtained. Some slight attempt at an improvement was made on occasion by Sir Charles Wood, which was very far from cheering to sanguine expectations. It appears that the Indian minister has fallen into the inconvenience and the discredit of the present state of affairs, and has made repeated journeys home from India so that he cannot bring them to the House of Commons at a period when there would be time and men to discuss them. He has ever, have invariably been thwarted by the entanglement into which the Indian Minister after minister has striven to clear, but hitherto in vain. Mr. Wilson did not do much still more. Sir Charles Trevelyan was full of marvellous energy; active official substance came from England; but in spite of all, the task of the finances remains still to be accomplished. We can only hope that Mr. Massey, working hard, carrying out the reforms begun by his predecessors, will complete the work they have left unfinished. There is no hope of an inquiry thorough, searching discussion on India.

Yet the necessity for such a discussion

apparent than at the present time. The condition to which Indian finance has been brought by the combined action of the Indian minister and the secretary of state, is perhaps unparalleled in the history of nations. Here we see an ever-growing revenue side by side with a deficit—a minister obliged to confess his need of a loan in time of peace, and at the same time remitting taxes which only enhance the deficit the loan was meant to cover; while the minister at home dissents from all the proposals, scolds his subordinate for giving up the tax while he refuses his assent to others, and winds up by insisting that if there is to be a loan at all it shall be raised in India, where money is dear, instead of in England where it is cheap. This is a muddle at least as puzzling as any that the condition of Indian accounts can present. As for the revenue, it is gratifying to see that upon the whole it is in a prosperous state; with one exception, all the great sources of taxation are increasing, showing that the prosperity is based on a broad foundation, and that the material resources of the people are greatly improved. The one exception to which we refer is that of opium, and all who are acquainted with the condition of India know that opium has been a precarious—it might almost be called a gambling—source of revenue. But in point of fact it is not to the fickleness of the trade, but to the unwise measures taken by the Indian government that the recent extraordinary deficit in the opium revenue is due. A few years ago there was a great demand for the drug, which consequently fetched a high price, and the gains of the Indian government were proportionately increased. The conclusion was hastily formed that this high price, which was really the exceptional, had become the normal condition of things, and that to fill the treasury there was nothing better to be done than to increase the supply of opium, and sell it at the price at which it then ruled in the market. But how to increase the supply was the difficulty. The price allowed to the poppy growers was complained of as too low, and the Indian husbandman manifested a growing reluctance to cultivate a crop which yielded him a less return than any other in which he could engage. The government undertook to remove this objection by increasing the allowance to the grower, and this they did so effectually that in a short time the supply greatly exceeded the demand. The price of opium fell at once far below the estimate which the minister had calculated on, and the government found itself in the double inconvenience of having to pay more to the producer for the production of the opium, while they realised less from the consumer by its sale. The double working of that loss made the actual state of things worse than the

estimated revenue by more than a million happened, too, at a time when the public attention has been aroused of late to improvement in India. The police, the courts of justice to be improved, the help for in the construction of new barracks; forward with accelerated step; and, last, some Bhootan war to be provided for. These are essential to the material improvement and to the development of its internal life. It can be looked upon therefore, in the light of the capital which is sure to yield a good return from which the investment was expected, the question was forced upon the Indian rulers, What was to be the course to men uninstructed in India? It was fast at any rate to those sources of income which remained and which showed no signs of decay. The course was too simple and straightforward in the ingenuity of Sir Charles Trevelyan. There had been enforced like our own for a term of years had come to an end; when, the deficit staring him full in the face, he determined not to renew it. His reason was curious. It was an unpopular tax; it caused dissatisfaction, though no one denied it; it was pretty regularly and was yearly rising; and all, the Indian Government had come to the express or implied, that it would cease at the first term of years for which it had been levied. These were the ostensible reasons which the minister for India, deliberately to increase the revenue at the moment that another was in his grasp. But to those who remember the former connexion with this tax, another and more cogent personal reason will present itself. It is forgotten that Sir Charles Trevelyan was the man when the income-tax was first proposed in India. He resisted its imposition, made public opinion, had been resolved on, and conducted the discussion in a temperate manner that Sir Charles Wood was to recall him. It may be supposed that there was a personal antipathy to the tax outweighing all other considerations which are so elaborately set forth.

Having by thus getting rid of the income-tax

efficiency it was his business to fill up, the minister naturally turned to other sources. These were two in number. He proposed a tax on the exportation from the country of the articles of jute and tea; and he proposed that the temporary difficulties should be met by a loan, which, ostensibly raised for the purpose of being spent in reproductive works, would in reality cover the deficit thus created. These projects Sir Charles Wood put his veto upon; and we apprehend that so far as the disallowing of the new taxes was concerned few persons will find fault with the reasons he assigned to the House of Commons. Taxes on the exportation of a country's products are always bad, especially when those products are the raw materials of industry. We do not say that they are never justifiable, but at least they are always suspicious, and the justification offered for them must be narrowly looked at. In the case of Sir Charles Trevelyan's taxes, no justification could be found. They were not only laid on the exportation of raw products, but the articles selected were, by a curious infelicity of purpose, exactly those where India already had to endure a competition with other countries, and where the imposition of a tax was therefore like to turn the scale against the exportation altogether. The cultivation of tea is a new article of industry in India, and has already made great progress there, but of course has to contend with a powerful rival in the neighbouring country of China, and if it is ever to be brought into general use in Europe, no artificial shackles, no financial burdens must be imposed on its exportation. The same thing may be said of the tax on jute, which is also supplied from other countries, and has at all times a powerful rival in the article of Peruvian hemp. Sir Charles Wood therefore carried the sympathies of the House of Commons with him when he announced that he had disallowed the imposition of taxes, which, however they were intended, were likely to have the effect of ruining the industries on which they were imposed. There remained, therefore, only the question of the loan to be disposed of; and one would have supposed that as all the other means of supplying the wants of the Government were taken away, or the income tax had been struck down, and the export duties were disallowed, there was all the more need for holding by, if not for increasing the loan which the finance minister had recommended. But here again the secretary of state differed from and thwarted the finance minister. The project of a loan shared the fate of the export taxes, and a difficult task has therefore been imposed on Mr. Massey, Sir Charles Trevelyan's successor.

On the whole, the state of India, as thus sketched out by its

minister in the House of Commons, is. The flattering prospects which it presents after years of Lord Canning's administration at Elgin, appear to be fading away. The annually increasing surplus, which for our eyes, has already faded away, and years was India's normal condition—though confessed, this is rather disheartening, and no immediate prospect of improvement. Looking to the figures presented by Sir Charles Trevelyan, it is every year increasing, showing that the condition of the people is improving, and that prosperity are everywhere visible; but as the revenues increase, the expenditure increases in a corresponding manner. The employment of 80,000 European troops is an enormous drain on its resources, such as cannot be endured. It is sometimes said that the British army has been got rid of; but, in point of fact, there is still a large native force employed. There is still a large native force employed in the new police force which is kept up, and we apprehend it will be found that the numbers the new force does not greatly exceed the old. Then there are the expenses arising out of the condition of the barracks for the military, the cost of their maintenance, the improvements in the system of law and justice, the re-organization of the police, the support of schools, and all the changes and improvements of the claims of humanity and civilization.

It may be said that the expenditure will repay itself: and so it will indirectly, through its development; and while the revenue does not. The principal source of income is land tax, and that is naturally inelastic; and never increases. All these considerations show that the government requires to be closely looked at, and to be managed with an unflinching and unsparing hand. One of the most important questions to be considered, is whether India really requires soldiers for its government. England can supply men, as India can afford the means. If India cannot be held without them, it will be said; but looking to the handful of troops that were actually put down, and to the improvements which have been made since in railroads and other works, which danger at one part of the empire, and assistance sent from another, we are

reduction can be effected in this department ; and it is only this department, as we believe, that any material lightening the Indian expenditure can for some time to come be effected.

BANKING AND FINANCIAL ANECDOTES.

No. IX.

THE BANKER AND THE LADY FAYRE.

One morning a very elegantly dressed female entered the banking house of ———, and presented a cheque for payment, at the same time requesting that she might have gold in exchange. The lady was not only well dressed, but she was very beautiful, so much so that the attention of the cashier was riveted upon her. He weighed fifty sovereigns, which he handed to the lady ; and, supposing that she could count them one by one, he anticipated that the pleasure he enjoyed in looking upon her would thereby be prolonged ; but he was mistaken, for to his surprise, instead of counting them she huddled them all up together, and put them in a white pocket-handkerchief. The cashier, observing this unusual mode, said, " You had better count them, madam ; " but the lady, looking at him with a most gracious smile, said, " I am quite satisfied, sir, that you are right ; " and, with another bewitching look, wished him good day, and walked leisurely out of the bank.

The cashier was so overpowered with the beauty of his customer that immediately on her retiring he went a few paces to a fellow cashier, and asked him if he had ever seen such a lovely creature. " What a bewitching woman ! " said he ; " what a sparkling brilliancy in her eye ! I wonder who she is ? " This caused him to look at the cheque, which, on first receiving, he had placed on his book without entering ; when he discovered, to his utter astonishment, that it was for £5 instead of £50. Uttering an exclamation, he jumped over the counter, and was in the street in a second. He looked to the right and the left, but could distinguish no trace of the beautiful lady. Ultimately it was thought best that he should apply to the drawer of the cheque for the name and address of the party to whom he paid it, the cheque simply bearing the words, " house expenses or bearer."

The drawer of the cheque, on being asked by the cashier, to furnish him with the desired information, expressed his surprise at what he

called his impertinent curiosity ; but on the mistake that had been made, he immediately gave his address, "Miss Thompson, Bury Street, and begged you will not utter a word of this affair lest it should come to the ears of Mrs. P—— I fear the consequence would result from my indiscretion, for the person was only too celebrated."

The cashier, anxious to catch the lady, assured the gentleman of his silence, and proceeded on his expedition to Bury Street. The door was opened by a looking girl, who, on being asked if Miss Thompson was at home, replied with great simplicity, "No, sir, she is not at home, and I don't think she will come back."

It ultimately came out that the morning after she returned from the city, she packed up her trunk and returned of course without leaving her address ; enjoying satisfaction of having proved the truth of the story, for she had by a judicious exercise of her craft secured the eyes of a city banker, that he could not disavow the £50. On his return, he was ashamed to go to the house, and it was arranged that the cashier should, by way of purchasing the silence of the lady, pay the amount, and the cashier the other, which was kept a profound secret for some time.

THE BANKER V. THE BAKER

It is scarcely to be expected that a banker should be ignorant of all his customers, and a rather ludicrous evidence of the ignorance of a Lombard Street banker of his own clients, a baker. The latter, who had so recently just paid another £500 in to it, and was still at the bank, gathering his scattered thoughts, and wondering in which way he should go. He was in a brown frock, and his cheeks were white with flour, and the head of the cashier at the moment essayed to enter his own establishment without an unpleasant contact between the head of the cashier and the floury habiliments of a man who was a baker. "Move away, fellow," said the banker. S

* Lawson's History of Bank

any circumstances to a tradesman would probably move his ire ; but the baker, possibly inflated with his recent monetary transaction, not only refused to budge an inch, but applied irritating language to the banker. The latter, all unused to disrespectful language, and nettled finding a difficulty in getting into his own house, again authoritatively ordered the baker to move, "or," said the banker, "I'll soon let you know who I am." The conflict then grew as fierce as an episode in that familiar pictorial representation of contrariety of views on the part of a baker and another personage not a banker ; and, in fact, the baker knocked the banker down. Foaming with rage, he dashed into the asylum of his own bank, followed by the baker. A constable was being sent for, that the offending baker might be given to custody, when a clerk whispered to the irate and insulted but humbled banker, "That is Mr. such-a-one, our customer." Mutual explanations ensued, and preliminaries of peace were entered into, which were afterwards ratified.

A BANK CLERK OF THE OLD SCHOOL.

The banking house of Barclays required the aid only of three clerks during many years of its earlier history. A clerk who had been upwards of fifty years in the bank (says Mr. Lawson), used to tell an amusing story of the first appearance of a new clerk. There were but two, and on the first occasion of the third clerk coming to the office he was dressed in the following fashion. He wore a long-flapped coat with large pockets ; the sleeves had broad cuffs with three large buttons, somewhat like the coats worn by the Greenwich pensioners of the present day ; an embroidered waistcoat, reaching nearly down his knees, with an enormous bouquet in the button-hole ; a cocked hat ; powdered hair with pig-tail and bag-wig ; and gold-headed cane, similar to those of the present day carried by the footmen of ladies' rank. The gentleman who cut so curious a figure remained in the office many years, and died a few years ago at a very advanced age, much respected by his employers.

THE BANK OF ENGLAND REPUDIATES A GOOD NOTE.

In 1819 an action for false imprisonment was brought against the Bank of England by a gentleman who had paid away a £1 note which the Bank declared to be forged. The Bank at that time kept forged

notes, but by some means or other the plaintiff got possession of this note, and, refusing to give it before a police magistrate on the charge of forgery, the note knowing it to be forged. An inspecting officer bore witness that the note was counterfeit, and the holder of it was committed to prison. The plaintiff was released on bail, being bound over to appear at the next assizes. Having been called on for a year, he then appeared at the Bank for false imprisonment. The note was this being clearly substantiated the plaintiff

A WILLING SLAVE TO BANKRUPTCY

Mr. Rippon, chief cashier of the Bank of England, who devoted himself most assiduously to his all-absorbing pursuit. He was precise and businesslike throughout his life, the Bank of England. For fifty years he pursued his business unintermittently, and never asked for a holiday, except when a medical adviser insisted on change of air. He at last made up his mind to have a fortnight's rest from London with that object. But he was apparently of the same opinion as Dr. Johnson, who, when he had seen one green field had seen all green fields. He gave three days to his figures, declaring that could do for him. No wonder perhaps that such a man should have £60,000.

THE BANKER AND THE TWO GENTLEMEN

A country banker, in 1825, had occasion to go to town with a large amount of property in boxes, which he procured from his London agent. The boxes were put in the mail coach, so that he might be sure of them, and, to make doubly sure, he placed them in a seat, and locked them in. Two very young gentlemen got into the coach soon after the banker was seated. The coach rolled onwards. When arrived at the coach usually put up while the passengers were getting out, the gentlemen invited the banker to take a seat.

g to quit his treasure, even to satisfy the cravings of his inner
lined the invitation. A second application, however, from
quarter—the picture of a nice roast fowl, just done to a
g taken up for supper, being rapidly sketched—was more
, and the banker left his seat, fully convinced that the notes
vertheless be safe, locked in as they were, and, so far as he
eir existence not being known to his fellow-passengers.
nded, one of the gentlemen returned, and the coach sped
the banker's inquiry after the other passenger being answered
ady remark, that the latter had changed his mind, and
to stay at the inn at which the roast fowl had been discussed.
xt stage the banker's companion got out and bade him good
left alone the banker, not suspecting anything wrong,
ss just examined the seat under which he had deposited
of notes. They were gone, like his fellow-travellers, and
agency. The robbery had been planned in London, and
two gentlemanly men had, in company with the banker,
ing on the roast fowl, confederates had been quietly forcing
d abstracting the notes.

WILL OF THE LATE MR. RICHARD THORNTON, THE MILLIONAIRE OF THE CITY.

of this gentleman, so well known at Lloyd's, Jerusalem, and
ry commercial establishment in the City, and who died a few
leaving the enormous wealth of £3,700,000, has just been proved
Commons. Mr. Thornton's career as a merchant in the City
extraordinary. He was the son of a north-country gentleman,
rn in 1776, at Burton, a village in Lonsdale, Yorkshire. The
hat sequestered region will find a handsome monument of Mr.
Thornton's attachment to his birthplace in the charity school,
uilt at a cost of £40,000, and endowed for the lodging, board-
aching of poor children in the parishes of Burton and Thornton.
educated at Christ's Hospital, and on leaving school he
o business in Southwark. But very few of the oldest City
member Mr. Thornton's first start in his commercial career.
stances of that time were very different to our conditions in

It was during our great war with the French empire, when
as excluded from the markets of Europe, and when the Conti-
e was of immensely greater importance to us, that Mr. Thornton,
en carrying on business in partnership with his brother as a
erchant and ship broker, devoted himself with fearless resolution
rough the prohibition of English trade with the Continent.
ad made the most desperate efforts to destroy the whole of our
merce. To enforce his decrees an entire division of the
ny, under the command of General Rapp, was stationed
e, and every port in Northern Germany was jealously

guarded. The Messrs. Thornton were among bold and adventurous spirit. On one occasion board a vessel of his own, entering the Baltic by a Danish gunboat, and the story goes that gun or two of his own, as was not unusual days, refused the summons to surrender, and beating off the Dane, after a vigorous cannonade.

In that year, 1810, he got a commission from as much hemp as could be procured from Russia fleet. This errand was, of course, attended with since all the English had fled from or had been at St. Petersburg. But Richard Thornton was not such risks. He landed at Memel, and succeeded in getting to England many thousands of tons of hemp for the government, in spite of difficulties which would have deterred any other man. A splendid recompense, however, awaited him. An express communication reached him from the government in that country at the time of the French invasion, apprised of the fact of Napoleon's retreat from Russia, and was known either to our ministers or to any other person who profited by it to something over £200,000. Shortly after, after a short interval, in the kingdom of Portugal, excited Mr. Thornton's sympathy. He saw the Miguelite pretensions in Portugal, as well as the state of Spain, and he judged that by subscribing to the cause, he might do a good thing and make a fortune. Large quantities of military munitions were laid up in the Azores, and he saw the use of Don Pedro's adherents—either to replace or to support the Portuguese throne. It was Mr. Thornton who provided the money for these preparations, and who, when the time came, in the field, contracted for its equipment, and for the transport required. That enterprise was successfully carried out, and the friendly intervention of the English government secured the young *protégé* got safely seated on the throne, and he assisted another infant queen against another pretender, and not hesitate to take the odds in favour of the English, and the Portuguese. He contributed much to the success of the cause, on her behalf, and what with his claims as a bondholder, and the money they owed him, &c., he was a creditor of the young queen of not less than two millions sterling. With the failure of the cause among the Peninsular bondholders to the disadvantage of those governments would ultimately redeem the cause.

Mr. Thornton's personal services to the Portuguese government were acknowledged by conferring on him the rank of Knight of the Order of the Tower and Sword. Mr. Thornton was an underwriter at Lloyd's from the year 1798. He was one of the ordinary underwriters, who are in the habit of insuring the cargo of ships, and their responsibilities with one another, so that the loss of the cargo would fall perhaps on twenty or thirty underwriters. If one man taken a leonine share of the most tempting offer, no other man would be disposed, even for a premium, to take the insurance of £100,000 on one bottom. Mr. Thornton's retirement from that scene of action, was beyond dispute, a man at Lloyd's, and though single-handed, his services to the great marine insurance companies which existed in those days. Previously to the late war with

sure for the Imperial government such a thing as a steam frigate built in the English dockyards; and once, it is said, having entered into a similar agreement towards that or another foreign state, on being asked by a friend how he could insure the fleets of the different European kingdoms, he replied, "Oh; if they lose the men-of-war that I've insured, I can pay for them in their own bonds." Besides being the largest holder of Consols in England, Mr. Thornton was also one of the largest holders of foreign securities; he was noted for the extent and multiplicity of his investments, as well as for his dexterous use of such opportunities as have frequently been presented by the variable moods and opinions of the Stock Exchange. But ordinary trade has not been Mr. Thornton's only resource. He sometimes won largely on the affairs of the turf, and at other times has taken considerable bets on the result of a military campaign or a ministerial crisis. During our war with Russia it is said he laid the sum of £10,000 against £500 with a well-known Greek merchant that the price of Consols, which was of course somewhat declining, would not fall below 85 until the conclusion of peace. One dark morning in the winter, which found him in a shocking mess at Sevastopol and Balaclava, the price actually came down to 85½, and those who had envied Mr. Thornton's invariable luck were rubbing their hands at the prospect of his defeat. But Consols fell lower, and Mr. Thornton pocketed the modest stake of his antagonist, having risked such odds against it.

Before closing we should refer to his acts of charity and beneficence as a fitting accompaniment of such extraordinary good fortune. The schools which he founded in his native village, far away in the Yorkshire dales, have already been noticed. But there is another pleasing proof of his liberality—a double row of almshouses, neatly built, and situated in a very pretty open garden, at the edge of Barnet Common, just outside that neighbourly little town. The Leathersellers' Company, which boasted in him as its father or senior member, selected one block of these houses in 1838, with money given by him when he filled the office of master in that worshipful guild. A second donation of his in 1850 enabled them to build a new range of these comfortable lodgings, in which altogether thirteen aged men and women enjoy a stipend each of 10s. weekly, with coals and candles. Every year he used to go to Barnet with the worshipful master and wardens, in the last week in May, to shake hands with the poor old pensioners, to compare their length of years with his own, and then to dine in good old English fashion with his colleagues in that ancient corporation. Such was the dignity and recreation of a London merchant of the old school. Mr. Thornton in his will makes the following bequests:—£1,000,000 to Mr. Thomas Thornton, who likewise is to inherit the deceased's estates; £1,000,000 to Mr. Richard Thornton West; £500,000 to be divided among his relations and friends; a handsome provision for Mr. Neil, and other of the deceased's clerks; £100,000 to be divided among all the charities, hospitals, asylums, and benevolent institutions in London, &c., the sums being duly proportioned in each bequest; £15,000 to Christ's Hospital (where deceased was educated); £10,000 left in trust for the benefit of the schools in Merton, in Surrey; £10,000 left in trust for the schools in Mr. Thornton's native village, Burton, in Yorkshire; £1,000 left for the benefit of the aged poor at Burton; £500 left for the poor at Merton. There are many other bequests contained in the will. The executors are Mr. Thomas Thornton, Mr. R. T. West, Mr. Pulford, and Mr. Lea. It is presented that the probate duty of the whole cost £42,000, and the legacy duty will amount to upwards of £100,000.

Legal Miscellany

THE WINDING UP OF THE EAST OF ENGLAND BANK.
ISAAC BUGG.

THIS case was decided in Chancery by Vice-Chancellor B. 24th June.

It was a summons on the question whether to be placed upon the list of contributories in the winding up of the company. About a year since Mr. Bugg was desired to join this company; but, being already the solicitor for Gurney and Co., and Harvey and Hudsons, that he had become a shareholder in a joint-stock company. Mr. John Bugg, his brother, at Norwich, to purchase shares, and he accordingly bought 135 shares, 50 old shares of Mr. John Bugg, and in that of Mr. Stevens. The transfer was accepted by the board of directors as transfer of the bank, when the official liquidators, refused to accept it, then known that Mr. Isaac Bugg's money had been misapplied. A very brief period elapsed between the time of the bank, when the official liquidators, refused to accept it, then known that Mr. Isaac Bugg's money had been misapplied. A very brief period elapsed between the time of the bank, when the official liquidators, refused to accept it, then known that Mr. Isaac Bugg's money had been misapplied.

Mr. Baily and Mr. Swanston appeared for the official liquidators; Mr. Lawrence and Mr. John Bugg and Mr. Stevens; and the Attorney General for Mr. John Cutler for Mr. Isaac Bugg.

The Vice-Chancellor said that by the deed of the bank that no person should be considered a proprietor in equity whose name did not appear on the register, and that no transfer or sale should take place without the sanction of the liquidators. It was well established that a person might profess an object of escaping liability, but that in a winding-up sale, and if it was only in such a manner that the selling might still get benefit, but escape liability. Here there was no doubt that it was a bona fide sale. Bugg or Mr. Stevens had disclosed that they were not the company would have said, "We have nothing to do with the parties we look to." Therefore, the case of a bona fide transfer did not apply here; there was no doubt that it must be refused with costs.

THE AUSTRIAN BANK CONCESSION.—THE BARON DE TESSIER
V. LORD FERMOY AND ANOTHER.

JUDGMENT was delivered in this case in the Court of Chancery on the 4th July; there being present the Lord Chancellor, Lord Blackburn and Shee.

This was the action by the Baron de Tessier against Lord Fermoy, and another gentleman, the object of which was to enforce a contract contained in a memorandum of agreement entered into in 1863, by which the plaintiff, who had obtained from the Austrian Government a preliminary concession for the establishment of a limited liability bank at Vienna, subject to approval by the Government.

tion (or, as they were called, "statutes") by the Austrian government, agreed to transfer all their present rights, under that preliminary concession to the defendants (Lord Fermoy and a friend of his), and to assign them the definitive concession so soon as it should be obtained, the defendants agreeing to do all things necessary on their parts to obtain the definitive concession with the least possible delay, and to pay to the plaintiffs £20,000 (half in cash and half in shares of the bank) for such concession, the payment to be within 30 days after the allotment of shares in the bank; and, further, to accept the "statutes" as they stood, and to pay all expenses.

Such being the agreement between the parties, it appeared that the definitive concession was granted by the Austrian government on the 2nd September, 1863, and that the allotment of shares was completed on the 2nd of October in that year. And the 30 days specified in the contract having expired, the plaintiffs claimed fulfilment of the contract and demanded the money and shares stipulated for in the agreement; but the defendants refused to accept the definitive concession or to pay the cash and hand over the shares, and hence the present action by the plaintiffs for compensation. The defendants, in answer to the action, contended that the agreement had been entered into on the basis of the statutes, and that these had been altered by the government in certain important particulars, whereby the position of the defendants was materially altered, and the carrying out the agreement as it was originally contemplated was rendered impossible; and that, in consequence, the defendants were relieved from their obligations to fulfil their part of the contract.

The arguments were reported at length in the *Bankers' Magazine* for July. Mr. Bovill, Q.C., Mr. Mellish, Q.C., and Mr. Kingdon argued for the plaintiffs; Mr. Lush, Q.C., Mr. Hawkins, Q.C., and Mr. Garth argued for the defendants.

The Lord Chief Justice now delivered a written judgment, embodying the unanimous judgment of the Court in favour of the plaintiffs. Having stated the material facts his Lordship proceeded thus:—The defendants contended that by the conversion of the absolute power originally vested in the directors, of providing for the payment of the price of the concession and the other preliminary expenses out of the funds of the company, into a power conditional upon ratification by a general meeting, and by requiring the board to be located at Vienna, their position was entirely altered; that it was never contemplated that they, the assignees of the concession, should bear these expenses out of their own pockets; that they had been induced to enter into the agreement from their knowledge that the London capitalists with whom they were associated, and by whom the future company was intended to be formed, would at once exercise their powers for the purpose of appropriating the necessary funds to the discharge of their liabilities; that thus their position became substantially different; and that in this state of things, which neither they nor the concessionaires had contemplated, they were released from their part of the contract, which they had entered into only on the basis of the statutes as they stood, and the adoption of which by the government was expected by both parties. It was an undoubted fact that the alteration of the statutes materially altered the position of the defendants, and in the end seriously damaged them. The board of directors having been appointed at Vienna, declined to act unless relieved from the responsibility of exercising the powers vested in them, subject to confirmation by a general meeting of the shareholders, of resolving to appropriate the funds of the company to the purpose of satisfying the claims of the concessionaires under the agreement, or

the preliminary expenses, and they broke up the company. In answer to this defence, it was contended—that the company was formed in no respect conditional upon the adoption of the statutes of the government in their original form; that the spirit of the concession was that the defendants should take the benefit of the concessionaires in the preliminary “contract,” according to established practice, to an engagement with the government, on the approval of the statutes, to grant a definitive concession, and that these defendants, having transferred by the concessionaires, then, providing their obligation of transferring the definitive concession, parties were not affected by the alteration of the statutes. It was understood that it was only inchoate rights which were reserved by the Austrian government reserved to itself the right of ratification in the statutes as a condition of the final concession. It was contended for the plaintiffs, that, even supposing the concession in such material respects that the concession contract could not be avoided unless it was still less if adopted and acted upon; and that the defendants, with full knowledge of the alteration of the statutes upon the agreement, and had thereby precluded themselves from objecting, even if there was not a lapse of a considerable time, election to abandon. After stating the material facts, of delay, in substance as above mentioned. Two questions present themselves on the fact of the alterations made in the statutes by the defendants. The first question is whether the defendants were relieved from the obligations under the contract, whether, if so, they were precluded from taking advantage of the alterations, and from annulling the contract by reason of the alterations, or omitted to be done by them after these alterations. The first question is one of considerable importance, necessary to determine it, because, upon the other hand, it is necessary that our judgment must be for the plaintiffs’ purpose, that the alterations in the statutes were to the detriment of the interests of the defendants, and displaced the defendants, who were acting to such an extent as to authorise the contract, the effect of these alterations was nullity. The plaintiffs could not have treated the defendants could have insisted upon its fulfilment, if the directors had not refused to act, and if the company had ratified the application of funds to the company, the plaintiffs could have insisted upon the transfer of the company to the plaintiffs would have been compelled to do so. The company, then, was subsisting, and one which, if the company was avoided, they might also have adopted and insisted upon it. It is to us that the defendants, so far from repudiating the alterations, adopted and acted on the alterations, and the plaintiffs to transfer to them the concession contract. Besides this there was an actual alteration of the statutes. All these acts are in violation of the contract by the defendants, and a waiver of the contract on the ground of an alteration of the statutes. And the option, they were bound to exercise it in a reasonable time, aware of the alteration of the statutes early after the formation of the company to go on.

case without any objection, and they took no exception until after the withdrawal of the Austrian directors at the end of October; and we think that six weeks was an unreasonable time to take to decide upon adopting or rejecting the contract. It is obvious that such delay must have been materially injurious to the concessionaires, as it deprived them for so long a time of the opportunity of securing other capitalists to whom to transfer their rights. We are of opinion, therefore, that our judgment must be for the plaintiffs. All that remains is to consider the question of damages, as to which it is to be considered that the plaintiffs lost all benefit to be derived from their concession. We may fairly take the value of the concession to have been what the defendants had agreed to give for it—that £10,000 in cash and £10,000 in shares of the bank. The plaintiffs, therefore, are entitled to recover £10,000 and the value of the shares. As to the value of the shares it is difficult to form an estimate. There is nothing to bind the defendants to go on with the company; they were at liberty to throw up the scheme, and return the deposits, and dissolve the company; and such, in fact, was the ultimate result. It is impossible, under these circumstances, to assign any real value to the shares which might have been handed over to the plaintiffs as performance of the contract. We do not, therefore, feel warranted in awarding substantial damages to the plaintiffs in respect of the value of the shares, as it would be merely nominal. In effect, therefore, our judgment is for the plaintiffs for the sum of £10,000, and also for the expenses, the amount of which was to be determined by arbitration. It was stated to be the intention of the defendants to take the case, by appeal, to the House of Lords.

THE COMPANIES ACT.—THE CASE OF MR. JAMES B. HIGGS.—RE THE BANK OF HINDUSTAN, CHINA, AND JAPAN, LIMITED.

THIS case was decided in Chancery by Vice-Chancellor Sir W. P. Wood, on the 29th June.

It was a motion under section 35 of the Companies Act, 1862, that the register of members of this bank might be rectified by striking out therefrom the name of the applicant, Mr. James Brooksbank Higgs.

In a similar application before the Master of the Rolls a Mr. Los succeeded in getting his name moved from the register, and as his case, which was made upon the same state of facts with the present, was fully reported in the *Bankers' Magazine* for July, a short statement only of the circumstances on which the application was based will be sufficient.

It appeared that on the 22nd of April, 1864, a joint-stock banking company was registered by the name of the Imperial Bank of China, India, and Japan, Limited, and in July of that year Mr. Higgs became the registered holder of 50 shares in the company. About this time negotiations were entered into between the board of directors of the Imperial Bank of China, India, and Japan and the board of directors of the Bank of Hindustan for an amalgamation of the Imperial Bank with the Bank of Hindustan. The latter bank was registered in 1862, and its capital was divided into shares of £100 each. On the 24th July, 1864, the manager of the Imperial Bank forwarded to their shareholders a circular stating that the negotiations for an amalgamation had been brought to a successful issue, and that as early as practicable, in accordance with the articles of association, an extraordinary general meeting of

the shareholders of both companies would be arrangements, previous to which all details of before the shareholders. This circular was forwarded on the 10th of August, 1864, stating in substance that of which the first was that 20,000 new shares of Hindustan were to be issued to the holders of each in the Imperial Bank. The issue was to be at £5 per share, and £5 per share of the premium to be paid of the united bank, and the remaining £1 per share to pay off the preliminary expenses. On the 25th of September, 1864, extraordinary general meetings of the Bank were held, at which resolutions were adopted in pursuance of the arrangement of the 24th of August, 1864, between the companies, and directing that the Imperial Bank should be liquidated, and appointing liquidators for the purpose. The resolutions adopted to the effect following—"That the liquidators receive in compensation, or part compensation, the interest and property of this company (the Imperial Bank of Hindustan) upon the terms specified in the arrangement, and if any member shall express his dissent, he may, by a notice in writing to the liquidators, require that he be allowed, after the meeting at which the resolution is passed, to sell his share or shares to the liquidator to purchase the interest of such dissentient member. The liquidators shall raise the purchase-money to be paid to the dissentient member by the sale of the share or shares of the company, which, under the terms of the agreement, would have been paid to the dissentient member." Mr. Higgs went abroad on the Continent until the 24th of September, and did not attend the meetings nor give a proxy, and on his return he received in his office a circular from the secretary of the Imperial Bank of Hindustan, in which he was informed that in right of his 50 shares in the Imperial Bank of Hindustan, under the terms of arrangement to an allotment of 20,000 shares in the Bank of Hindustan at £6 per share, he was entitled to the above option you must transmit the same to this bank on or before the 24th of September, at once called at the offices of the Hindustan Bank, and there whom he believed to be the secretary of the Imperial Bank of Hindustan, whatever to do with the Bank of Hindustan, and the arrangement entirely. In the meantime the Imperial Bank of Hindustan entered on the register of shareholders in the name of the holder of 50 shares, and in May last these shares were sold for non-payment of calls. Mr. Higgs now applied to the Companies Act, 1862, to have his name removed from the register on ground that he was a shareholder in the Imperial Bank of Hindustan, in which company he had not bought any shares, nor in any way acted as a shareholder. Mr. Rolt, Q.C., and Mr. J. N. Higgins, in support of the contention, contended that the arrangement was *ultra vires* the Companies Act, 1862, and also under the articles of association of the Imperial Bank, and was in no way binding upon Mr. Higgs. They also contended that it was also unreasonable in its provisions, inasmuch as it compelled the shareholders, and compelled them to pay a premium upon the new shares, of which £1 per share, and the balance to be devoted to "preliminary expenses."

Mr. Giffard, Q.C., Mr. Jessel, Q.C., and Mr.

Bank of Hindustan, contended that Mr. Higgs, by executing the articles of association in the Imperial Bank, had authorised the directors to amalgamate and made them his agents for the purchase of shares in another company. If the directors had power by the articles of association and sec. 161 of the Companies Act, 1862, to declare him a shareholder in the Bank of Hindustan, and it was submitted that they were so authorised, then they had fully exercised that power. But in any case Mr. Higgs was bound by acquiescence. If he disapproved this arrangement, which was carried out on terms that had been sanctioned by the directors of both companies, he ought to have taken some formal steps to repudiate it within the time limited by the circular; and it was his answer to say that he was abroad at the time, as if he went on the continent and left no one to look after his affairs, that was his own fault. He had retained the shares for nearly a whole year, and now when they had fallen in the market he had sought for the first time to escape from his liability. Assuming that he had been anxious to retain these shares the directors could not have deprived him of them on the strength of that casual conversation in the office of the bank on the 24th of September, 1864, which certainly did not amount to a repudiation of the shares.

The Vice-Chancellor (without hearing a reply) said that he had no doubt as to the order that he ought to make upon the present occasion. The argument on behalf of the bank proceeded on two grounds—namely, first, upon sec. 161 of the Companies Act, 1862; and, second, upon the provisions of the articles of association of the Imperial Bank, which were, in course, binding upon the shareholders of that company. It was also urged on behalf of the bank that the present applicant had full notice of everything that was being done, while the arrangement was in course of being carried out, and that he had barred himself from disputing the validity of the arrangement by his acquiescence and delay. As to sec. 161, he was of opinion that its provisions did not authorise any such arrangement, and that the Bank of Hindustan could not thereunder compel the applicant to become, or treat him as having become, a member of that company. By the articles of association the directors were, no doubt, authorised to “amalgamate” the Imperial Bank with another company of similar character. He might observe that no legal or technical definition was to be found of the term “amalgamate,” and it was very difficult to say what was its exact meaning. But whatever meaning might be given to the term, it certainly did not imply an authority from a shareholder to his directors for them to execute the deed of another company in his name, and make him liable for all the engagements of that company. If the articles of association were identical in both companies, as might possibly be the case, then no new obligations would be incurred, and the difficulty would be less. The proper notion, perhaps, of an amalgamation would be where two companies coalesced, and, each abandoning their original articles of association, proceeded thenceforth under a new deed of settlement or new articles. With respect to acquiescence and alleged laches, he was equally in favour of the applicant. His evidence was uncontradicted as to his having in no way accepted or complied with the allotment of shares in the Bank of Hindustan, or any part of the arrangement. On the contrary, he called at the bank immediately on his return from abroad and distinctly repudiated the arrangement. It was remarkable that the circular put forth by the Bank of Hindustan required the shareholders of the Imperial Bank to exercise their option, and sign the enclosed form to be transmitted to the bank by a certain day. Failing to comply with this they were not to have the shares. Mr. Higgs did not do so, and he took

no notice whatever of the circulars, except to action. How, then, in the face of their own Hindustan insist upon treating as a shareholder comply with its terms? But independently of the licence and laches, on the higher grounds already bound by the arrangement, and was entitled to be removed from the register. The bank must pay the cost.

**SINGULAR ACTION AGAINST A BANK CLERK FOR THEFT
THE MERCANTILE BANK OF NEW YORK**

THIS case was tried in the Court of Queen's Bench, on the 13th July.

It was an action to recover certain money lent to and for the use of the plaintiffs. The defendant admitted the debt; payment; that the cause of action lay many years; that the plaintiffs had accepted certain interest on the amount claimed; and lastly, that the plaintiffs were entitled to sue—but the latter plea was withdrawn.

Mr. Karslake, Q.C., Mr. J. Brown, Q.C., and Mr. Clarke were counsel for the plaintiffs; Mr. Clarke was counsel for the defendant.

The case involved an inquiry into very minute details of the evidence comprised depositions taken in Germany already been twice before the public under the name of the Bow Street and afterwards in the Queen's Bench. The plaintiffs are a banking association, established in this country. They resemble in some respects a joint-stock company. The defendant up to 1864 was what was then the bank, and he had charge of the money of the bank. As first paying teller it was the defendant's duty to take the first teller's proofs, into which he had to enter the sums received and the sums he had paid out on account. On the 28th October, 1864, the defendant professed to have returned to the practice of the bank, whereby he showed that he had dollars 65 cents in his possession in the coffers of the bank. On the day the defendant informed Mr. Hind, of the day the defendant informed Mr. Hind, that he felt unwell, and as it was probable he would not be able to attend the following day, he asked that gentleman to attend. Afterwards, however, transpired that on the following day the defendant left New York by the Teutonia, which in course of time arrived in this country. The defendant had absconded from New York on the 2nd November, and then an investigation was made of the accounts, when it was discovered there was a shortage of currency notes to the value of 207,028 dollars. The defendant followed to this country, and afterwards arrested under the extradition treaty; and on an application to the Bench, that court held that the local act of New York was not binding on him, and he was released. The defendant was then about to leave this country for Germany, and when required bail he had had to remain in prison until his claim against the defendant was between £100,000 and £200,000, estimated according to the value of the currency.

raction of the money. The money in defendant's possession was kept in strong room under lock and key, the key being kept by him. The defendant had on a former occasion expressed his extreme annoyance at a supposed discrepancy in one of the customer's accounts, but it was afterwards found to be correct. Just, however, before the defendant left New York, Mr. Black, one of the managers of the bank, had expressed his intention of examining the currency in the defendant's possession, and it was asserted, on the part of the plaintiffs, that the defendant had excused his leaving for England because he felt so much insulted at the proposed examination of his accounts, and, further, that he had described the directors as a set of "old fogies," and that, as he did not wish them to know anything about his speculations, he had desired certain parties not to give them any information respecting them. The suggestion on the part of the defendant was that as the directors allowed customers to enter the strong room and examine their securities and remove them, if they thought proper, it was probable that some other person had taken the money. To that the directors replied that, although one or two customers might have been allowed to enter the strong room, no one could go there and come out with anything, without being seen by the president, who commanded a view of the strong room from his desk.

Mr. Clarke, in addressing the jury for the defendant, asked their forbearance in the absence of one learned serjeant and two Queen's counsel, who had been retained, and it had devolved upon him to conduct the case, which was one of considerable importance to his client. The charge was the more of a criminal character than a civil one, and there could be no doubt that if their verdict was against the defendant it would brand him with embezzlement. By an indiscretion in absconding himself from New York, after it was intimated that an examination of the currency in his possession would take place, he had laid himself open to the criminal charge; but it by no means necessarily implied guilt. The learned counsel remarked on the lax manner in which the plaintiffs conducted their business, and to the especial fact that three or four persons had keys to the safe door, but not the defendant, who was most interested in the safety of the money, though he kept the key of the compartment where the money was kept. It was contended that sufficient proof had not been given to show that the defendant had abstracted the money, but rather that it led to the supposition that it was taken by some other person. It would also appear that the business of the bank was so large, and the pressure was so great on the few clerks kept, that it was impossible to accurately count the specie or the currency daily, and no doubt the deficiency might have arisen wholly or in part from that circumstance. He should call the defendant before them, and he would inform them how the business was conducted in New York. The currency had not been counted or checked for two years, and there was even now a disinclination on the part of the bank to count their assets and really ascertain whether or not there was the alleged deficiency. It was a mere question of presumption, and he felt certain the jury would not give a verdict upon such unsatisfactory evidence. The cashier had a duplicate key of the defendant's compartment, and as it was kept in his drawer it was accessible to others, and might have been used without his or the defendant's knowledge. In fact, it was missed for some time; and might not the person who took it have helped himself to some of the money?

Charles Windsor, the defendant, was called. He deposed—I have been for fourteen years paying clerk in the plaintiffs' bank. I kept the keys to my compartment in the safe, but not of the iron doors. The latter

were always open when I came in the morning evening. The lock of the iron doors was a one and there was no key to it. I attended the business to half-past three o'clock. The same description of the compartment where the money was kept, and also of the boxes were kept over the compartments. The clerks, and porters, were in the habit of going to the boxes contained securities placed with them. Many of them were taken away every morning at night. The president's seat was near the door and was away from the bank two hours every day for meetings of the directors. The currency was made up of paper round them, and the amount marked on the packages generally handed to me about middle day. I took them from the receiving-teller as they were brought in. It had been impossible for me to have counted them, so I took two or three assistants to make up the currency. It remained on the counter until I had made up the currency. I placed them in the vault; the packages were in the drawers were only eight or nine inches deep. I took them away until the evening; they were made up of cash of the bank had not been counted for two days. It was then counted by the president and the cashier. I complained that the vault was not safe, but the president said the old bank I had the combination of the lock of the vault, but I had not that at the new bank. I had the key of the compartments. On one occasion I left the bank. I asked Mr. Blake, the cashier for his, he counted the currency about four months before I left the bank. On one occasion I was in the bank which fitted the locks. I have paid for the currency. I gave 9,000 dollars for my estate on Staten Island. I paid for it out of 14,000 dollars left me by a friend. For the last 18 months I have kept two hundred dollars. The only change I have made in my establishment was the Odisville Copper Company, and I held one-third of the stock. The total was 500,000 dollars, but only 5,000 dollars' worth of stock was taken, and that had been used in developing the mine. The currency was proposed by the cashier, I was not in the deficiency. Mr. Blake had examined the specie and found it was about eight or nine days before I left. I went to the bank at three o'clock and said he wanted to count the currency. I told him it was an unnecessary thing to examine the cash alone, that I thought he should do it and that if it must be done it must be done in the presence of the president and the directors. Presuming that the currency would be counted, but it was not, however, was not done), I determined to strain it ready should the directors be disposed to complain. I was surprised that there was a deficiency in three packages. I was in the bank for some time, amounting in the whole to about three hours. The next morning when I came to the bank it was found that the currency was not counted. I mentioned it to the officials of the bank, but I did not know what was in the power of the bank, and that the

against me which would not allow me the means of defence or explanation. I never appropriated any of the specie or currency to my own use.

Cross-examined by Mr. Karslake.—I sold my property to my brother-in-law two or three weeks previous to my discovering the deficiency in the currency. The deed conveying the property was executed between the 10th and 25th October. My brother-in-law had practised as a dentist for three or four years in New York, and he had lived during that time in my house as a guest. Part of that time he was studying as well as practising dentistry. Before that he was engaged in a business in Chicago; that was five or six years ago. There was a 5,000 dollar mortgage upon my property. My brother-in-law gave me 20,000 dollars for the land. I left my wife and daughter there when I came to England in the Teutonia, and I understand they have been living there with him ever since. He bought everything I possessed. He gave me 5,000 dollars for the personal property. The deed was executed on or about the 23rd October, and I left on the 30th. No money passed when I sold my property to Jacob Bodeen, my brother-in-law. I had two building plots of ground in New York, but I do not know what has become of them. I have heard that the bank has attached them. I had speculated with Bodeen's money in purchasing gold and stock for him. I was to hold his money and give him notes from time to time; and I had given him 14,000 dollars currency, and I owed him 5,000 dollars in cash. There was some profit. I kept memoranda, but they have been destroyed. When I discovered the deficiency I entered it in my book as chargeable to the vault, it being the reserved money of the bank. I remained in the bank seven days after I discovered the deficiency. It would appear from my book that there was the proper amount in the vault. The practice was to keep the specie in 5,000 dollar bags. My private memorandum book does not show the deficiency of the 17,000 dollars. I purposely omitted it. My brother-in-law met me at the steamer with my carpet bag. I had a cloak and a bundle of things I could not get into my bag; that was all the luggage I had to come to England. I entered my name as Wilson in the steamer's book. About a fortnight or a month before I left I asked the messenger to get me two bags of gold, each containing 5,000 dollars, and to bring them into the other entrance of the bank—that is through the cellar. The bank's gold, which was brought at the same time, was brought in the usual way. My two bags of gold were put in a cupboard in the cellar. He brought me gold for me from a broker in Wall Street, in exchange for notes. I told the messenger, as I always did in reference to my own affairs, not to mention it to the officers of the bank. He had fetched gold for me on former occasions that had been got in exchange for notes. I afterwards put the two bags in one of my compartments in the vaults, where they remained a few days, and then I sold them to a broker in Wall Street. I sent one bag by a messenger, and the other by a clerk in the bank. I received payment for them in cheques, which I cashed into notes, with which I bought some stock. The broker has still the stock. I made 100 or 300 dollars by the transaction. I frequently turned over money in that way. My salary at the bank was 2,500 dollars a year. I had a brother-in-law (another Bodeen) in the bank; he was not my assistant. He was appointed and retained in the bank at my solicitation. He was the clerk who took one of the bags of gold for me.

Re-examined: In August last Mr. Hyde, one of the clerks, discovered during my vacation a deficiency of 10,000 dollars, but we neither reported it, thinking it would be made right some time or other. The deficiency was in Mr. Hyde's daily cash accounts, and not money had from the vault.

Albert Bodeen, the former clerk in the bank, was left, the gold and currency were between one counting and the other a 5 missed. Mr. Arnold, the president, said he have stolen it, as they only had had to wit

Mr. Edward Clarke then reviewed the evidence and ability that there was not the slightest doubt of the defendant with having abstracted this money.

The Lord Chief Justice, in summing up, counsel for the defendant that the real issue had stolen the gold and the notes. If, he concluded, although the defendant could not prove he was, however, civilly responsible for the last counting took place in 1862 every thing the defendant left New York a large deficiency of gold and in the currency notes. After all the evidence given by the defendant and that of the bank, which give a very different complexion to the evidence given by the defendant—referring to the discovery of the deficiency of 197,000,000, he said that the course a man should adopt was to say if he knew he was honest and was not in any way as honest men seldom entertain, he need not have been to have at once called the attention of such grave importance, with reference to the bank, but also to his own personal character, making a communication to the bank authorities in his book daily, as if the amount was actually absconded, but before doing that he must have when he was apprehended in England he had no chance. The whole proceeding was one of a very co-extensive with the money deficient, or that he had increased proportionately, or that he had no relations.

The verdict was entered for the plaintiff.
This terminated the sittings.

Reports of Joint-Stock Banks.

BANK OF NEW SOUTH WALES.

THE half-yearly general meeting of the shareholders of the Bank of New South Wales was held in Sidney on the 26th day of April last.

The Hon. G. Allen, M.L.C., in the chair.

The Secretary read the following report and balance-sheet :—

The directors have the pleasure to report a steady progress in the business of the bank during the past half-year, and to submit herewith a statement of its assets and liabilities on the 31st ultimo :—

net profits for that period, after deducting rebate on current bills, interest on deposits, providing for bad and doubtful debts, and reducing valuation of bank premises and office furniture, amount to	£86,551	8	10
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which is to be added—

recoveries from debts previously written off as bad or doubtful	1,483	11	0
undivided balance from last half-year	2,809	19	8

Giving for distribution	£90,844	19	6
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which the directors appropriate as follows :—

payment of dividend at the rate of 15 per cent. per annum on old stock for six months, £69,846 ; on new ditto for 5 months, £2,800...	£72,646	0	0
bonus at the rate of 3 per cent. per annum on capital paid up	14,529	4	0
balance carried to "Profit and Loss," new account	3,669	15	6
	£90,844	19	6

By the final payments, due this day, on account of the new capital, the bank stock account will be increased to £1,000,000, and the reserve fund £333,333. 6s. 8d., the limits fixed by the act of incorporation and the act of settlement.

During the past half-year new branches of the bank have been established in this colony at Gundagai and Wagga Wagga.

Since the last half-yearly meeting the bank has sustained a loss in the death of its late general manager, Mr. Robert Woodhouse, in recognition of whose long and faithful services, the directors have presented to him the sum of £1,000.

The vacancy created at the board by the resignation of Mr. James Anderson, on his departure for England in February last, was temporarily filled by the appointment of Mr. Joseph Scaife Willis, who now offers himself for election, and is the only candidate.

The dividend will be payable at the head office to-morrow, and at the branches on receipt of advice.

For and on behalf of the board of directors,

GEORGE ALLEN, President.

Aggregate Balance-sheet, of the Bank of New South Wales, including the London Branch to 31st December 1864, and the other Branches to 6th March, 1865.

Dr.

To bank stock, old stock £750,000, new stock, £226,000	...	...	...	...	...
Reserve fund	...	...	...	...	...
Notes in circulation	...	...	...	...	...
Bills payable	...	...	...	...	...
Deposits and other liabilities	...	...	...	...	...
Profit and loss	...	...	...	...	...

Cr.

By coin and cash balances	...	...	...	...	...
Bullion in hand, and in transit to London, 31st March 1865	...	...	...	...	...
Government securities	...	...	...	...	...
Notes of other banks	...	...	...	...	...
Bank premises	...	...	...	...	...
Bills receivable, bills discounted, and other debts	...	...	...	...	...
bank	...	...	...	...	...
Insurance account	...	...	...	...	...

PROFIT AND LOSS, MARCH 31st 1865.

Dr.

1865.

Mar. 31. To rebate (at current rates) on bills discounted at this date	...	...	...	...	...
To dividend at the rate of 15 per cent. per annum	...	...	...	...	...
To bonus at the rate of 3 per cent. per annum on paid-up capital	...	...	...	...	...
To balance carried to profit and loss account

Cr.

1864.

Sept. 30. By amount from last account
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1865.

Mar. 31. By recoveries from bad and doubtful debts
By balance of half-years profits, after writing off bad and doubtful debts

Audited 25th April, 1865.

JOHN RICHARDSON
FRANCIS M. ...

The report was adopted, Mr. Joseph Scaife in the place of Mr. James Henderson, and the same given to the president and board of directors in the management of the affairs of the bank.

BANK OF NEW ZEALAND.

early general meeting of the proprietors of this bank was held on the 1st of April last, at the banking-house in the colony, for the purpose of receiving the report of the directors for the half-year ending the 30th September, 1864.

Mr. J. Williamson, president of the board of directors, took the chair, and called upon the secretary to read the advertisement convening the meeting.

After this, the secretary read the minutes of the last meeting, which were confirmed, and then proceeded to read the half-yearly report,

The directors have much satisfaction in again laying before the proprietors the result of another half-year's operations, which affords very evidence of the continued success of the bank. The state of the colony throughout the past six months, combined with the high rate of money in England, has led to increased caution throughout the colony, and the directors are glad to be able to assure the proprietors that every doubtful dependency has been provided for, and a reserve allowed for prospective losses. It is in contemplation to initiate a new bank on 1st January, 1866, a guarantee and provident fund for the benefit of the establishment, to which the directors recommend the proprietors should now contribute £1,500 as a free donation; and that this should be supplemented hereafter by further donations of £500 each for every succeeding half-years. The net profit for the half-year ending 30th September, 1864, after providing for all debts supposed to be bad or doubtful, and making a liberal reduction in bank premises and furniture amounts to £50,668. 15s. 10d. To which is to be added, undivided profit from last half-year, £2,207. 18s. 9d.; making a total available profit of £52,876. 14s. 7d. Of the above profits, the directors recommend the following appropriation: to payment of dividend at the rate of 5 per cent. per annum, £22,456. 10s. 2d.; to bonus equal to 5 per cent. per annum, £11,228. 5s.; to addition to reserve fund, £15,000; to contribution towards starting guarantee and provident fund, £1,500; to be carried to profit and loss "new account," £2,691. 19s. 5d. Total £52,876. 14s. 7d. The dividend and bonus will be payable at head office on Monday, the 1st proximo, and at the branches on receipt of the same.

Statement of the Bank of New Zealand, including London office balances of 31st December, 1864.

Total	...	...	...	...	£485,094	0	0
Capital	...	...	...	...	100,000	0	0
Reserve fund	...	...	...	...	297,969	0	0
Provision	...	...	...	...	350,246	1	8
...	...	...	...	...	1,194,656	2	1
...	...	...	...	...	85,272	5	8
Profit and loss account at 30th September, 1864	...	...	...	...	2,207	18	9
Half-year	...	...	...	...	50,668	15	10
					<u>£2,566,114</u>	<u>1</u>	<u>7</u>

Cr.

Coin and bullion	...	...	...
Government securities	...	...	...
Landed property	...	...	...
Bank premises, furniture and stationery	...	...	...
Balances due by other banks	...	...	...
Notes of other banks	..	...	...
Bills receivable and all other advances			...

PROFIT AND LOSS ACCOUNT

Increase of reserve fund	...	...	...
Dividend at the rate of 10 per cent. per annum	...	...	...
Bonus at 2½ per cent. for the half-year	...	...	...
Donation towards starting guarantee and provident	...	...	...
Amount carried to profit and loss (new account)	...	...	...

Balance of profit at 30th September, 1864	...	...	...
Net profit for half-year	...	...	...

RESERVE FUND.

Balance from last statement	...	...	...
Amount transferred from profits of past half-year	...	...	...

The Chairman, in proposing the adoption of the report, felt it would not be necessary for him to say anything to the shareholders that the prosperity of the bank was still the same. Nothing different in this report from any the directors had produced was the intention—if they found that the directors had found that the officers had seconded the institution to a successful issue, and that something had been done for them that their efforts had been appreciated. He need say anything further, as the report said everything that was necessary. He had much pleasure in proposing the report.

Mr. W. Williams seconded the adoption of the report, having been put to the meeting, was carried nearly unanimously.

The Chairman then said that there was no business to be done at the meeting, with the exception of reading the report. If any gentleman wished to ask a question, or had any business to bring forward, he might do so now.

The rough minutes were read, and

Mr. T. Macfarlane said that it would be well to have a separate meeting without recording their sense of the services of the officers of the bank. He would, therefore, move that the next meeting be given to those gentlemen, and would be glad to say that he most cordially concurred in the proposal. He proposed guarantee and provident society among the shareholders, that it would secure the services of honest and

Mr. D. Burn seconded the motion, which was carried.

The Chairman said that he had much pleasure in returning thanks for the vote that had been just recorded. In fact, seeing, or rather believing, that they were going to retire without making any motion of this kind, he still felt perfectly satisfied that the meeting acquiesced in the conduct of the directors, as there had been no questions asked or observations made. But he had now much pleasure in returning thanks for the vote that had been proposed by Mr. Macfarlane.

The meeting then separated.

LONDON AND COLONIAL BANK, LIMITED.

AN extraordinary meeting of the shareholders was held on the 3rd July, at the London Tavern, Bishopsgate Street, to consider an agreement for the sale of the assets of this bank to the International Bank, Limited; and also to consider as to the winding up of this company voluntarily, if such agreement for the sale of the assets be confirmed, and to pass special resolutions for giving effect to the opinions of the meeting on the above subjects. Mr. John Geary in the chair. The notice convening the meeting and the minutes of the meeting held a month since were read and confirmed.

The Chairman said that, in conformity with the resolutions carried at the meeting held a month ago, the committee had met, he might almost say, *de die in diem*, and the result was the agreement which he called upon Mr. Grillier, the clerk, to read.

The agreement set forth that the International Bank proposed to take over the whole of the assets of the company, on the payment of a sum equal to a distribution of £7. 10s. on the old shares, and of £3. 15s. on the new shares, the International Bank taking a warranty from the Colonial Bank against proceedings past and present.

The Chairman proceeded to explain the case, and the circumstances under which the agreement was submitted. Much discussion had arisen between the directors and the committee as to the terms proposed by the International Bank, and the result was, after a very lengthened correspondence with the directors of the International Bank, finding no impression could be made on them, the committee and directors of the bank resolved to bring the whole subject before the shareholders, and to leave it in their hands. Now, with regard to the warranty, that which the International Bank required was, that in the event of any of the shareholders succeeding in establishing their right under the former agreement of amalgamation, to exchange their shares for International shares, the Colonial Bank should indemnify them against any damage resulting from their refusal to exchange their shares. The principle or question of a warranty thus demanded was very unwillingly admitted by the directors of this company, but as the proposed agreement gave to the shareholders a guarantee of £7. 10s., it could not be expected that the International should be debarred from recovering that sum in case the shares on which it was paid should be exchanged in consequence of individual shareholders proving their legal right to insist upon the exchange. The warranty, indeed, demanded by the International Bank went much further, inasmuch as that in case such right of exchange should be established, the International Bank should deduct from the sum to be paid to the Colonial Bank the sum of £20 from each share so exchanged. To this

the directors would not give their assent. The International Bank should have the control of the proceedings in the event of the shareholders exercising their legal right under the amalgamation; but, as in the event of the advantage of the International Bank, while, on the other hand, it was their duty to protect the shareholders, the International directors had agreed of that condition to the effect that the directors should act jointly with the Colonial Bank. As to the subject, the directors determined to bring the matter before the shareholders, and to ask their views upon it.

Several shareholders here called upon the speaker to explain more fully what the position of the company was.

Mr. Morris said that by the original agreement the old shares were to be exchanged share for share, but that owing to the action of the International directors, a resolution was passed to exchange any more, in consequence of which the old shares were struck out of the quotations at the Stock Exchange. The position of the Colonial Bank warranted the fact that the old shares came out right £7. 10s. would represent the value of the shares. A voluntary winding-up would render the shareholders' difficulties, which would be sure to arise, if each should propose to work out its strict rights. It was suggested that the difficulties should be avoided by the Company paying a sum equal to what the shareholders would receive if a voluntary winding-up were to take place, to the new shares, which were not exchanged. No difficulties would arise in the event of the shareholders who had exchanged both the old and new shares. By accident or design, 565 new shares remained unexchanged. The International Bank now refused to exchange the old shares, a great injury; but inasmuch as the principal shareholders offered an amount of £3. 15s. for new shares on which the bank had admitted, he considered that an arrangement might be made between the old and new shareholders of this bank, might be made whereby the old shares would be worth a little less than £7. 10s., the new at a little more. That difficulty might be removed. Other directors were of opinion. Now, really the only alternative they had was to refuse to exchange, and they could then show the International Bank a rope of sand, but were resolved to carry out their duty, for he must in all candour confess that he had no objection if the directors would consent to any modification of the original agreement.

The Rev. Mr. Robinson objected in strong terms to the proposed resolution to the effect that the proposal should be moved with the omission of the warranty, and the fact that the old shares were set down as bad and doubtful debts.

Mr. Taylor seconded the motion.

Mr. Morris urged the withdrawal of the resolution, which was agreed to.

Mr. Balster referred at some length to the fact that the assets which might be fairly counted on amounted to £30,000. It was an insult on the part of the International Bank to offer £30,000.

Mr. Morris explained that that sum would not

those shareholders who had exchanged their shares, and if they were to be taken into account, the offer of the International Bank would amount to somewhere about £50,000.

In reply to inquiries as to the exchange of some and the refusal to exchange other shares, the Chairman explained that a circular was sent out in December last by the International board, calling upon both the old and new shareholders of the Colonial Bank to exchange their shares. Many did so, but others neglected to come in, and, subsequently, on the 27th January, the International board, mainly through the instrumentality of the Liverpool directors, passed a resolution, against which the Colonial board protested at the time, refusing to exchange any more. After some discussion the Chairman put the resolution, which was carried by 15 to 7.

Mr. Balster made an objection to some of the persons who had voted, who he declared had not paid their calls, and handed in a protest signed by himself and other shareholders against the resolution.

A second resolution was passed, on the motion of Mr. Balster, seconded by Dr. Cooke, to the effect that in the event of the International Bank not agreeing to the modification of the agreement, the directors should be requested forthwith to take steps to complete the share list, and to enforce the terms of the original amalgamation with that bank.

Mr. Morris having again impressed upon the shareholders the necessity of completing the share list in order to place the directors in a position to enforce the amalgamation, several added their names to the list for an increased number, and the proceedings, which lasted nearly three hours, were brought to a close.

COLONIAL BANK.

The half-yearly general meeting of the proprietors of this bank was held on the 5th July, at the London Tavern, to receive the report, C. Marryat, Esq., in the chair.

Mr. Calvert, the secretary, read the following report:—

"Pursuant to the provisions of the charter the directors present to the proprietors the following statement of the debts and assets of the corporation on the 31st December, 1864, and of the net profit of the half-year terminating at that date:—

DEBTS.

Circulation	£251,491	10	10
Deposits, bills payable, and other liabilities	1,905,707	1	9
Paid-up capital	500,000	0	0
Reserved fund	125,000	0	0
Balance of profit from last half-year	405	19	11
Net profit for the half-year	39,638	2	4
	<u>£2,822,242</u>	<u>14</u>	<u>10</u>

ASSETS.

Specie	£362,456	18	9
Due to the bank in the colonies on bills discounted and purchased, including those past due, &c.	1,266,906	11	0
Due to the bank in the colonies on current accounts	28,026	10	3
Due to the bank in London on bills remitted, cash at bankers, &c.	1,154,921	14	10
Bank premises and furniture in London and in the colonies	9,931	0	0
	<u>£2,822,242</u>	<u>14</u>	<u>10</u>

"The directors have the pleasure to report the possession from the branches, the business of the bank satisfactorily. They, therefore, feel warranted in again dividing the net profit, which amounts, as per above statement, to £129,000, after deducting for the payment of bad and doubtful debts and for income-tax, to £129,000. An ordinary dividend be made of 6 per cent. for the half-year ending the 31st December, 1864, being at the rate of 6 per cent. per annum on the paid-up capital of the bank, which will require And an extraordinary dividend of 1 per cent., which will require

Leaving
To which add balance brought forward from last year

Together
From this amount the directors propose to carry forward to the reserve fund

Increased into £129,000, and the balance of £129,000, carried forward to the next half-year."

The Chairman, in moving that this report be adopted, was a very short one, but as it was very satisfactory for that. As to the future, he was happy to say that the half-year ending 30th June, were perfectly satisfactory in all the branches.

Mr. G. Hoare seconded the motion.

A Shareholder asked if any portion of the profits of Jamaica, which had been taken over since the 1st January, were included in the present balance-sheet.

The Chairman—About two months of the profits were included.

The motion was carried unanimously.

The dividend, as recommended in the report, was payable on and after the 13th July, was the last dividend terminated with the usual vote of the directors.

UNION BANK OF AUSTRALIA

THE twenty-seventh annual meeting of the directors was held on the 10th July at the offices, Old Broad Street, London, and on other business; J. J. Cummins, Esq., Chairman.

Mr. H. W. D. Saunders, having read the report, read the following report:—

"It is again the pleasure of the directors to report that the statement of the bank's affairs, embodying the results of the year, is highly satisfactory. The course of business has been more than ordinary circumspection; affairs have not been disturbed and progress arrested by the natural causes, while in some of the Australian markets there has been considerable depression, of no material effect on the bank, owing to the sound judgment and

ment has been conducted, and for which the colonial staff are indebted to the commendation of the proprietors. The directors have had the advantage of conferring with Mr. M'Mullen, their inspector and general manager, now in this country on leave of absence, upon all the important interests of the bank; these interviews have fully sustained their appreciation of his character, and have enabled them to make and receive suggestions which cannot fail to prove beneficial. The latest advices, although indicating continued depression in some of the colonies, and the danger of its extending by reason of a severe drought, which affected pastoral and mining interests, are satisfactory with respect to the bank's position, and its affairs were being so administered as, whilst fully meeting the wants of its customers, to keep its resources under proper control. William Fanning, Esq., and Charles Henry Mills, Esq., are the directors who retire on this occasion, in accordance with the provisions of the deed, and now offer themselves for re-election. The subjoined statement of accounts presents a net profit of £113,882. 5s. 3d. available for division. The directors have, therefore, determined to apply the sum of £112,500 as a dividend of £2. 5s. per share for the half-year, payable in London, free of income tax, on 18th July, and in the colonies as soon as the inspector shall fix after receipt of advices."

Statement of Liabilities and Assets at the Branches on the 31st December, 1864, and at the London Office on the 30th June, 1865.

LIABILITIES.

Circulation	£482,979	10	0
Deposits	2,747,411	10	6
Bills payable and other liabilities (including reserves held against doubtful debts)	1,071,933	4	9
Balance of undivided profit	113,882	5	3
Reserve fund	250,000	0	0
Insurance reserve account	75,000	0	0
Bank premises reserve account	75,000	0	0
Capital	1,250,000	0	0
	£6,066,206	10	6

ASSETS.

Specie on hand and cash balances	£668,492	4	7
Bullion	118,946	19	7
Bank premises and property	137,678	17	3
Government securities (British and Colonial)	139,500	0	0
Local bills, bills receivable, and other securities	4,751,588	9	1
Reserve fund, invested as per statement	250,000	0	0
	£6,066,206	10	6

STATEMENT OF PROFITS.

Balance of undivided profits at June 30th, 1864	£104,313	14	9
Out of which a dividend was declared of £95,000, and interest on new shares paid £5,005. 12s. 1d.	100,005	12	1
Leaving a balance of	£4,308	2	8

Profits of the past year, after making provision for doubtful debts, £329,005. 12s. 7d.; less remuneration to local directors, and salaries and allowances to the colonial directors, £64,422. 12s. 4d.; general expenses in the colonies, including taxes, rent, stationery, &c., £26,688. 8s.; remuneration to the board of directors, salaries of London office directors, taxes, stationery, and general expenses, £12,221. 10s.; income tax, £3,600—£106,931. 10s.

Deduct dividend paid in January... ..

Balance of undivided profit at this date

RESERVE FUND.

New Zealand Imperial Four per Cent. Debentures
Colonial Six per Cent. Debentures

The Chairman then said—Gentlemen, I believe I can best give you the exact views of the board of directors by making but a few observations on the report gives to you the exact views of the board of directors on the affairs of the bank generally, and I may be able to say more than I should if the report was not prepared for your acceptance and investigation had been made into the affairs of the bank with the aid of the council and the information of the general manager. (Hear, hear.) I say speaking of the manner in which the accounts have been audited and investigated, because, from circumstances connected with the foundation of the bank, to give that attention always previously given, and which I hope still to be given, (hear, hear.) It is very gratifying to me to find that a full and complete investigation has been made for all bad debts we are now carrying, and an amount of profit on a business carried on on a banking propriety in every respect. (Hear, hear.) Apart from our banking business at our branches, we have no financial operations in any direction. We have no result of our banking business carried on with legitimate principles. (Hear, hear.) It is very gratifying to be able to express these sentiments in the management of the bank, and I believe there are many gentlemen in the room who, perhaps, are interested in other banks, and who can testify, as well as I can, that a business carried on with a greater degree of prudence and soundness in Australia. (Hear, hear.) I should be sorry to find that there was any exception of an opposite nature to that which I have noticed in our report a subject on which we possess that information which we ourselves possess—last mail of the continuance of the drought, and the effect of the war in New Zealand on business, and possibly affect your general interests for a time. These are incidents that only tend to make it more and

business should be kept within strict bounds, so that it may not be materially affected by any minor changes caused by events of that description. (Hear, hear.) And it has been the study of our administration abroad so to manage our affairs that we feel no alarm even at any such events as those to which I have alluded. (Hear, hear.) We believe they may for a time produce some interruption of our profits in the colonies, but we are satisfied that there is nothing to prevent those great colonies from being the field of commercial enterprise and banking business most satisfactory to all those who are engaged in such undertakings. (Hear, hear.) I have nothing more to say than that I shall be most happy to give any explanation that may be required, and will now conclude by moving that the report be received and printed for the use of the proprietors. (Hear.)

Mr. Botley expressed his entire satisfaction with the report, and begged to second the motion for its adoption. (Hear.)

A Proprietor inquired what was the amount of the reserve fund against bad and doubtful debts.

The Chairman said the amount reserved for bad debts had been carefully considered and was abundantly sufficient to meet every possible liability. It had not been the custom to state the exact amount. The portion that had fallen on the bank this year was comparatively small, and the question was not one that affected the interests of the bank. Up to the present time there had not been any large amount of deduction from the profits.

Another Proprietor, referring to the item "local bills, bills receivable, and other securities," thought it would be satisfactory to the meeting to know the nature of these securities.

The Chairman said he thought the statement which he had previously made, that the directors were not engaged in any speculations of a varied or uncertain character, and that their operations were strictly banking operations, would naturally lead any gentleman to believe that the securities referred to were merely those which belonged to legitimate advances made for carrying on a business which was yielding a profit of 18 per cent. (Hear, hear.) If they had not that means of employing their money they would be unable to realise such a profit. He repeated that all the transactions of the bank were legitimate banking—that every security was worth the amount attached to it—that the directors had written off every penny that was doubtful. If the nature of such securities was required from any bank their accounts might as well be posted on the Royal Exchange, and he was confident that such a course of proceeding would operate injuriously both at home and abroad. (Hear, hear.)

Mr. Dalgety (a director) said that some of the securities consisted of colonial debentures. As there were twenty-five branches, a considerable time must elapse before the accounts could be made up in this country, and it would be scarcely possible to give them in detail. Indeed, if that were done, he believed it would be of no real service.

Mr. Jephson urged on the directors the propriety of observing the strictest economy in the management of the affairs of the institution.

Mr. Campbell (a director) assured the hon. proprietor that the subject had at all times received the closest attention from the board.

Mr. Dalgety remarked that since the increase of capital nearly £500,000 more had been employed, with a moderate increase in the annual expenditure.

Another Proprietor expressed strongly his discouragement of what often proved to be false economy.

The motion for the adoption of the report was unanimously.

The Chairman said the directors had decided that in January next the dividend warrants would be sent to the address of every proprietor, unless they received notice from the proprietor to pay the amount into any bank to the order of the directors, which was very convenient to many proprietors. They also considered the convenience of proprietors, and their collection of dividends, and receive deposits in London for fixed periods, which had been ascertained on application at the office.

The retiring directors, Messrs. Fanning and

The Secretary then announced that the directors would meet on the 18th July.

Mr. Botley proposed, and Mr. Driscoll seconded, a resolution that the chairman, which having been briefly acknow-

ENGLISH AND FOREIGN CREDIT

An extraordinary general meeting of the shareholders was held on the 10th July, at the London Tavern, under the chair.

The Secretary (Mr. Derry) read the report of the directors, and a realised balance to the credit of profit and loss, and it was proposed to treat in the following manner the payment of a dividend of 7s. 1d. per share, and the rate of 10 per cent. per annum; £5,000 was proposed to invest and not to employ in the purchase of the balance, £1,686. 5s. 11d., it was intended to be a profit and loss account. A sum of £2,258. 5s. 5d. was proposed to be a rebate on transactions now carried on.

The Chairman, in moving the adoption of the report, said that he recollected why the board had called an extraordinary meeting, and that in the recollection of the shareholders, that at the time of the meeting he took that opportunity of stating what was the position of the company, and they desired to do that as frequently as possible, and it was found by the articles of the association that the shareholders should hold a meeting once a year only. Now, he was averse to declaring an interim dividend without the accounts of the shareholders being first obtained, and, therefore, in the articles of association, they had called an extraordinary meeting, and had been induced to make this explanation by the word "extraordinary." The shareholders had seen the accounts of the company, and they were satisfied except that those accounts were certified by the servants of the shareholders, and he hoped that the genuineness of the accounts; and here he mentioned the circumstance that a gentleman—a shareholder—had addressed the body of shareholders by an address and called for resolutions. Mr. Harrison had a right, no doubt, to take his own view of the position of the company, and the first resolution which he understood the hon-

he begged distinctly to state that, if carried, the directors would regard it as a vote of want of confidence in the board, who would act accordingly. In conclusion, he moved that the report and statement of accounts be received and adopted.

Mr. Thomas Stenhouse, the deputy-chairman, seconded the motion.

Mr. W. G. Harrison expressed his regret that he should have been called upon to bring forward the resolutions which he should submit for the adoption of the shareholders. In adopting this course he did not desire to make any imputation on the directors, but he thought that when the results of 18 months' trading had been so unsatisfactory, they had a right to ask the directors whether they deemed it advisable for the interests of the company to continue their business or suspend it. They knew that a credit company was, to a certain extent, of a speculative character, but, at the same time, he considered that 10 per cent. was a paltry dividend, and when, as he had been informed, they had narrowly escaped a compulsory winding-up, he thought there was every reason for inquiry and apprehension. He wished to know if it was true that bills for £3,000 were dishonoured. If the directors were not in a position to give a negative reply, he could not be surprised at the miserable rate of discount at which their stock stood. There was a large number of rich shareholders in the company who could wait until the shares got up to par, but the poor man who wanted to sell was placed in a very embarrassing position. Every shareholder should have his portion of the realised capital. He wished to know from the directors whether the state of the affairs warranted them in continuing or not, and whether it was likely the shares would go up in the market. He would move the following resolution as a substantive amendment:—"That a committee be appointed to confer with the directors on the financial position and prospects of the company, and as to the most advisable course to be taken in the interest of the shareholders with reference to the future proceedings, having regard to the present condition of the money market and the depreciation of the company's shares."

Mr. Goodyear seconded the amendment.

Mr. Legett inquired whether they could feel secure in regard to the sum £106,912 which was on bills receivable. He believed their money under that head was jeopardised, and he could not help thinking that the statement of accounts was barren in every respect.

Mr. Mowitt expressed his surprise at the entire absence of proof to substantiate the very serious allegations made against the company. It was desirable that companies should be explicit in dealing with details, but he thought the case was different with their company. He had no hesitation in saying that the accounts were scanty, and the items referred to contained sums upon which they should be solicitous. However, as far as he was concerned, he was thankful to the management for having placed them in such a good position. He thought it was a mistake to have issued £50 shares, and as other companies had reduced theirs to £20, he thought they might act in the same way. He believed the capital was small, and he would suggest the advisability of increasing it by amalgamation or otherwise.

Mr. Holland, Mr. Gusher, and other shareholders having expressed themselves adversely to the amendment proposed by Mr. Harrison,

The Chairman proceeded to reply *seriatim* to the questions put to him. He said they held no bill which was not covered with collateral security. The current expenses were light when compared with other companies, being only 2½ per cent. The question of the diminution in the value of

satisfaction that, in pursuance of the provisions of the deed of settlement, they have filled that vacancy by electing Mr. Scrimgeour a director of the bank. It was with great pleasure the directors learnt that their offer would be accepted by Mr. Scrimgeour, as a recognition of their strong personal regard for a valued friend and officer; and they feel assured that the proprietary will, with equal pleasure, confirm an election which, in some degree, marks their approbation of twenty-six years of arduous service, characterised by ability, zeal, and disinterestedness which cannot be exceeded. The following directors retire by rotation, under the provisions of the deed of settlement, viz.:—Archibald Boyd, Esq., Charles Lyall, Esq., and Peter Northall Laurie, Esq., who, being eligible, offer themselves, and are recommended by the court of directors for re-election.”

General Balance for the half-year ending 30th June, 1865.

LIABILITIES.

Dr.

Capital £10 per share paid up on 60,000 shares, £600,000; £5 per share added out of reserved profits, £300,000; £15 per share paid up on 20,000 shares, 1864, £300,000	...	...	£1,200,000	0	0
Due by the bank on current accounts, deposit receipts (including interest accrued), and other obligations	...	...	18,908,608	19	1
Reserved fund invested in Consols, as per contra	...	...	300,000	0	0
Buildings' investment account	...	...	67,000	0	0
Rebate on bills not due	...	...	37,745	19	2
Balance at credit of profit and loss	...	...	206,255	8	0
			<u>£20,719,610</u>	<u>6</u>	<u>3</u>

ASSETS.

Cr.

Cash in the bank £899,863. 1s. 8d., in Bank of England £891,171. 5s. 1d., lent at call £1,238,000	...	...	£2,828,534	6	9
Investments in Government stock, Exchequer bills, debentures, &c....	...	...	1,073,878	5	3
£337,078. 13s. Consols reserve fund...	...	...	800,000	0	0
Bank premises—consisting of freehold buildings in Princes Street, Mansion House Street, Argyll Place, Fleet Street and Chancery Lane, and lease and fixtures of No. 4, Pall Mall East...	...	...	192,624	6	1
Loans, bills discounted, &c.	...	...	16,324,573	8	2
			<u>£20,719,610</u>	<u>6</u>	<u>3</u>

PROFIT AND LOSS ACCOUNT.

Dividend at the rate of 15 per cent. per annum...	...	...	£90,000	0	0
Bonus, 7½ per cent....	...	...	90,000	0	0
			<u>£180,000</u>	<u>0</u>	<u>0</u>
Amount appropriated to buildings' investment account	...	...	5,000	0	0
Balance, being undivided profit carried forward to next half-year	...	...	21,255	8	0
			<u>£206,255</u>	<u>8</u>	<u>0</u>

Profit unappropriated on 31st December, 1864 ...
 Amount of net profit of the half-year ending
 1865, after deducting all expenses and inter-
 due (£113,895. 19s. 6d.), allowed to custom-
 current and deposit accounts

The Chairman having declared the dividend with the report, and announced that both on Thursday, the 20th July, proceeded to move. He explained that the reason the meeting was was, that the new room at the bank did not afford and while this circumstance was in one so satisfactory to know that the necessity of moving from the increased number of proprietors, and in the affairs of the bank. (Hear, hear.) Well, there would be no regret at being obliged to assemble, and he hoped that by next year inadequate to their reception. (Hear, hear.) The directors had been received in a manner highly gratifying, and he hoped that by next year they had they ever been able to lay before the proprietors account for the whole year. (Hear, hear.) He used some words of warning with reference to the profit which they might make in the six months, six months were, as they would all recollect, in January the rate was falling, and as the dividend continuance fall for a very considerable time (this point), he and his colleagues had thought that they might be thrown out that shareholders might not be able to get the amount of profit was not so large at the period dealing as it had been during the exceptional time, it would now be admitted that in that they had taken a prudent course. (Cheers.) At the same time the directors were rather to moderate than overrate anything, and he felt a greater pain than to attempt to mislead or mislead, but he hopes that they had not the fullest anticipation of the result. They did not, therefore, divide the whole of the profit, and though he knew a different course would have been taken by the proprietors, he thought the general body would have been dividing the whole was at the end of the year, and they had taken a prudent course. (Cheers.) They were carried forward from the last half-year, able to give a satisfactory account. Undoubtedly, there was a temptation to have as large a dividend as possible, but the directors saw more of the working of the establishment, and they appeared a little more prudent than those who had not the opportunity of ascertaining the exact state of affairs, and the directors. No directors had ever been treated with more consideration at this bank; for, from the commencement, the directors had taken the prudent course of not dividing the whole of the profit, and they were now in the proud position of having a reserve of £300,000. The proprietors had been told that the reserve had been increased one effect would be

to be made, and that had been done. The directors had as great an interest as any one in dividing as large an amount as possible, and on this point he hoped the same confidence would be reposed in them as heretofore. During the last six months the average rate of the Bank of England had been $4\frac{1}{2}$ per cent.; in the preceding six months it had been over 8 per cent.; notwithstanding which the board were able to show by their report that this year they had made a profit of £145,000 against £180,000, which was reported as the profit of an exceptional period. (Hear.) This was accounted for in a satisfactory way by increase of business in every department. Taking the two reports of the year, it appeared that they had paid to customers on current and deposit accounts the enormous sum of £278,000, that they had appropriated out of the profits of the last half-year £5,000 to their building investment account, and that they paid £300,000 for the year in dividend and bonus; for though the divided profits of the last half-year were properly stated at 30 per cent., the actual payment for the year was 25 per cent.; in point of fact, they received one-fourth of their paid-up capital back again. (Cheers.) This was no boast, but a plain unvarnished tale—a simple repetition of the figures of the account. The anticipations for the coming six months were highly satisfactory; they had every reason to hope for a full average harvest, they might anticipate greater commercial activity, and he hoped at their next meeting to have as satisfactory a statement to make as on the present occasion. The bank premises in Chaucery-lane were not in so forward a state as had been expected, but they were proceeding towards completion, and he hoped that before the end of the year they would take possession of them, and so afford adequate accommodation to the largely increased business at that end of the town. (Hear, hear.) The business of the branches generally was in the highest degree satisfactory and profitable. During the last half-year, which had been a period of great anxiety, they had enjoyed almost an immunity from bad debts, and he could say with confidence that they had not a bad or doubtful debt on their books which was not in the most ample manner provided for. (Cheers.) Referring to the paragraph with reference to the appointment to the board of Mr. Scrimgeour, he said that no proprietor had ever had a more faithful or more competent officer, and no director a more fearless, independent, or disinterested counsellor. Differences had, of course, arisen in the 26 years of service between Mr. Scrimgeour and the board, but when his views had not been carried out, that gentleman had always been ready to carry out the opinions of the board as fully, as heartily, and as loyally as if they had been his own. (Hear, hear.) On no fewer than three occasions in the earlier stages of the bank had Mr. Scrimgeour refused additional remuneration, which the shareholders considered his services entitled him to. Mr. J. A. Barton, who came to the bank as a young man from the Bank of England, who had always devoted himself to the interests of the bank, and in whom the directors had the greatest confidence, had been appointed to the office of general manager, and he thought it a matter of satisfaction that they were not obliged to go out of the bank to supply any vacancies.

Mr. James Farquhar seconded the motion.

Mr. Hodgkinson, on the part of the shareholders, expressed approval of the manner in which Mr. Scrimgeour's eminent services had been rewarded, and satisfaction that that gentleman's high qualifications would not be lost to the bank.

The report was adopted, and the retiring directors, Messrs. Archibald

Boyd, Charles Lyall, and Peter Northall L. elected.

Mr. Stewart proposed that a sum of 1,000 to Mr. Laurie for his exertions on behalf of the bank.

The Chairman expressed his thanks for the motion would not be pressed, as he was devoted to the interests of the bank, not one reward than the approbation of the shareholders.

Mr. Graham observed that when they were Pullinger affair the proprietors supported them and that was in his opinion a reward beyond measure.

The motion having been withdrawn,

Mr. Graham moved the thanks of the meeting.

Mr. Huggins moved, and Mr. James Bull seconded, that the directors be empowered to make arrangements for Mr. Scrimgeour, to be placed where the board may think fit.

Carried unanimously.

Mr. Nottage moved, and Mr. Hislop seconded, that the chairman and directors, and also to the branches, which was carried with acclamation.

The Chairman returned thanks, and the meeting closed.

THE IMPERIAL BANK.

THE sixth ordinary general meeting of the bank was held at the London Tavern, on the 30th June, 1880, Mr. M. P., in the chair.

The following report for the half-year ended 30th June 1880, was read:—

"The accounts which the directors have now to lay before the shareholders show the result of the operations of the bank for the past half-year to have been very satisfactory. No commercial depression has existed for some time, and the bank continues steadily progressive. No great amount of money which has prevailed during a great part of the last year, and that the dividend will have to be paid in full, which previously only carried interest at 5 per cent. per annum, your directors are able to recommend a dividend of 10 per cent. per annum, free of income-tax. After deducting all charges of the bank, together with interest on loans, discounted, bad and doubtful debts, there remains a balance of £6,897. 18s. 2d., which the directors recommend to be divided as follows, viz.:—£3,000 to the reserve fund, £3,897. 18s. 2d. to the new account."

Balance-sheet, June 30,

Dr.			
Capital paid up	...	...	...
Amount due by the bank on current, deposits, and accounts	...	...	...
Reserve fund...	...	...	...
Redemption of premises fund	...	...	...

Carried forward ...

Brought forward ...	1,931,858	9	9
Balance of profit and loss, 31st December, £5,228. 18s.; gross profits for half-year, £42,895. 14s. 9d., making a total of £48,124. 12s. 9d., less interest paid to customers, £9,286. 15s. 7d.	...	...	...
	38,837	17	2

£1,970,696 6 11

Cr.

Consols and India debentures ...	...	£37,850	4	6
Bills discounted, loans to customers, &c. ...	...	1,666,212	14	11
Bank premises, furniture, and fixtures ...	...	22,584	14	0
Preliminary expenses ...	...	1,889	13	9
Cash in hand, at Bank of England, and at call ...	...	242,158	19	9

£1,970,696 6 11

PROFIT AND LOSS ACCOUNT.

Dr.

Current expenses, including salaries, directors' remuneration, income-tax, and allowance for bad and doubtful debts ...	£8,850	3	0
Payment of dividend at the rate of 8 per cent. per annum, for the last half-year ...	18,000	0	0
Amount carried to profit and loss new account, being rebate on bills not yet due ...	5,089	16	0
Amount written off preliminary expenses ...	889	13	9
Amount carried to reserve fund ...	3,000	0	0
Amount carried to profit and loss new account...	3,008	4	5

£38,837 17 2

Cr.

Balance brought down	£38,837	17	2
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We have examined the above accounts and find them to be correct,

GEORGE BROOM, } Auditors.
PETER BROAD, }

The Chairman, in rising to move that the report just read be received, adopted, and entered upon the minutes, said that after three years experience of the working of the bank he had to congratulate the shareholders upon its success, and upon the fact that it was stronger and more prosperous at the end of the last six months than it was at any time before. (Hear, hear). The directors were satisfied that the progress which the bank had made would bear favourable comparison with that of any one of the great joint-stock banks founded during the last twenty-five years after the third year of its establishment. The low rate of interest within the last six months had, however, militated against the profits of the bank; nevertheless, they were able to divide 8 per cent. per annum amongst the shareholders. (Hear, hear). It might be thought by some that the dividend should be raised to 10 per cent., but the directors preferred that the difference should be handed over to the reserve fund. The preliminary charges would amount to only about £1,000, which would be much more than covered by the shares in hand. They might now rest satisfied with the fact that the Imperial Bank was an accomplished fact. A large amount of capital was employed. The most complete organisation of the bank was established, and it had secured a safe and sound business which was growing every week. (Hear, hear). In conclusion, he reminded the shareholders that

they might contribute to its further prosperity deposit accounts, observing that as all their projected any further business might be considered the shareholders uniting together in their efforts might be made one of the largest institutions. Their achievements might be equal to their aspirations. Moved that the report be received and adopted.

The motion having been seconded,

The Chairman was about to put the question.

Mr. Kintrea rose and said he hoped that it would proceed so fast, but would allow a little more time to express their opinions. He wished to ask the directors intended to do with the reserved shares. The Chairman said that when their prospects were so flourishing he would like for the board to give to the shareholders, to relieve the burden of the day, an interest in those shares. He thought that it was intended to apply those shares towards the amalgamation. Now, he thought, any sum of money made to stand upon its own merits. He referred to the thousand and odd shares that were unsold. He thought why an increased capital should not be taken into consideration. He hoped that the board would give a policy in respect to those reserved shares.

The Chairman said he could not give a definite answer. The board did not as yet know what to do. He had never thought of the matter, and therefore could not say upon it. The directors had not certainly considered the reserved shares. They had as much capital as they then, should they think of issuing more shares.

Mr. Kintrea: Do I understand the chairman to say that the directors could not profitably employ more capital?

The Chairman: They could not, at the present time.

Mr. Kintrea did not suppose for a moment that the directors concealed any important fact from the shareholders. He thought it would be interesting to the shareholders to know the matter of the reserved shares clearly understood. He thought that this was one of the most successful, as well as the most banking institutions in the country. (Hear, hear.)

Mr. Michel said that no doubt Mr. Kintrea had asked his question. He thought, however, that it was left to the decision of the board, namely, to decide how they should deal with those reserved shares. He thought the existing interests of the proprietors would be protected by the directors.

The Chairman might say once for all that he would consult the interests of the proprietors generally, but what was for the general good. They had no more than they wanted, and need not ask for any more.

The resolution was then unanimously agreed to.

The Chairman then put the next resolution, that the dividend at the rate of 8 per cent. per annum, free of income tax, ending the 30th of June, be paid to the shareholders on the 1st day of August.

Carried unanimously.

A resolution of thanks to the directors having been passed.

The Chairman returned thanks on the part of the directors.

Mr. Kintrea said he was happy to say he heartily concurred in the resolution just passed. He entertained also sentiments of the highest respect for the secretary and officers generally of the institution. He was induced by the faith and confidence he felt in the secretary, as well as in his great ability, to take shares in the bank. He trusted that the chairman, however elated he might feel at the prosperous state of the establishment, would see the propriety hereafter of giving a little more attention to the wishes of the shareholders, and of avoiding that hasty and impatient style which he (Mr. Kintrea) thought he had displayed that day. (Cries of "No, no.")

The Chairman :—I deny that I displayed any haste or impatience, I invited the shareholders to put any questions they pleased. You are, therefore, wrong, my fine fellow.

Mr. Kintrea wished that the chairman would not be quite so friendly with him. He did not desire that the chairman should be on such familiar terms with him. He then moved a resolution of thanks to the secretary, which was also unanimously assented to.

Mr. Michel next moved, and Mr. Flight seconded, a resolution of thanks to the manager of the Imperial Bank, for the valuable services he had rendered to the institution.

Mr. Bensham having acknowledged the compliment paid him,

Mr. Michel moved the special thanks of the meeting to their chairman, Mr. Alderman Lusk, for his fair and impartial conduct. He was quite sure that nothing was more remote from the disposition of that gentleman than a feeling of discourtesy towards any man. He thought that the shareholders generally might congratulate their respected chairman on being placed in a position where he would have an opportunity of expressing his opinions upon the commercial legislation of the country in the British House of Commons. (Hear, hear.) He hoped that the worthy alderman might long live to bear his "blushing honours thick upon him."

The motion having been agreed to *nem. con.*

Mr. Alderman Lusk thanked the shareholders for their great kindness, and pledged himself to co-operate with his brother directors in every measure having for its object the progress of this institution, and the making of it a thoroughly good, prosperous, and successful bank.

The proceedings then terminated.

LONDON FINANCIAL ASSOCIATION.

THE fourth half-yearly ordinary general meeting of the shareholders in this company was held at the South Sea House, Threadneedle-street, on the 17th July; Mr. J. Hackblock in the chair.

The Secretary (Mr. Kock) having read the notice convening the meeting, and also the minutes of the previous meeting, the following report was taken as read :—

"The annexed statement of accounts, made up to the 30th June last, shows, after deducting expenses of every kind, and rebate of interest, calculated at the rate of 5 per cent. per annum, a total of £108,943. 1s. to the credit of profit and loss. The above sum includes the balance of £40,663. 8s. 6d. brought forward from last half-year. The directors recommend the payment of a dividend at the rate of 5 per cent. per annum, and a bonus of 10 per cent. per annum, free of income-tax, which together will absorb £45,000 and leave a balance of £62,660.1s. to be carried forward

to next half-year. The dividend and bonus amount per share, and will be payable on and after the

Balance-sheet, June 30, 1865.

Dr.

Capital called up, viz.:—£15 per share paid on 40,000 shares, £600,000
 Reserve fund, viz.:—Balance at Dec. 31, 1864, £8,000
 interest thereon six months, at 5 per cent, £2,088
 Liabilities—Comprising amounts due on deposit
 debentures, interest thereon, and current accounts
 Profit and loss—As per annexed statement

ASSETS.

Cr.

Cash at bankers' and on deposit	...	...
Loans, securities, and current accounts	...	...

Profit and Loss Account, from 1st January 1865 to 30th June 1865.

Dr.

Current expenses, including directors' and managers' salaries, advertising, books, stationery, rent, and all other charges	...	...
Balance carried down	...	...

Dividend at the rate of £5 per cent, per annum on capital, £15,000; bonus, at the rate of £10 per annum, on paid-up capital, £30,000	...	...
Income-tax	...	...
Balance, being undivided profits, carried to new account	...	...

Cr.

Gross profits, viz.:—Balance of undivided profits carried forward from 31st December, 1864, £40,063. 8s. 6d.
 for half-year ending 30th June, 1865, £91,851. 2s. 6d.

Balance brought down	...	...
Deduct—		
Rebate of interest on loans not due, taken at 5 per cent per annum

Balance carried forward to new account	...
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The Chairman, in introducing the business accounts was extremely clear, and required little explanation, but, inasmuch as the number of proprietors had increased from 500 and 600, at which number they stood this

1900, and as they were spread over the whole of the United Kingdom some few observations from him on the position of the association might not be unacceptable—at all events, to the absent shareholders. In the statement of accounts before them, the first thing to which he attracted all the attention of the shareholders was the item of liabilities, which amounted to £649,187. That was an apparent decrease upon the last year, but in reality there was no decrease, because it so happened that several large loans fell due shortly before the closing of the year, the sum of £50,000 falling due on the 30th of June, consequently, the shareholders would see, there was no falling off in the business. As to the credit side of the account, he wished, for the benefit of the absent shareholders, to repeat what he stated on the last and previous years, that the loans, securities, and current accounts, which were put in the balance-sheet at £1,383,681, did not represent the value of the securities deposited with the association; it merely represented the advances. The securities they received for loans and advances were very much larger in amount, because they took care to have a very comfortable margin. (Hear, hear.) It did not, of course, signify to the shareholders how they were valued, and he merely named the circumstance for the purpose of pointing out that it was the amount of advances for which the securities were given that was put down in the balance-sheet; the value of the securities themselves being much nearer £2,000,000 than £1,500,000. The securities they held were taken at a very low price, certainly far below the current market price. (Hear, hear.) The result of the half-year's business would be, as compared with the last half-year, as follows:—In the year ending 31st December, 1864, after paying all expenses, making a reduction of interest, and making an allowance for everything, the net profit was £630. 17s. 9d., while in the half-year ending 30th of June last it was £68,879. 12s. 6d., being an increase of £7,248. 14s. 9d., and was a highly satisfactory state of things. (Cheers.) Then again, in the year they added £18,654 to the undivided profits, making the total £663. 8s. 6d., while this half-year they had added £22,596. 11s. 6d., and the total amount of reserve £62,660. (Cheers.) That again was very satisfactory. (Hear, hear.) During the last half-year and the half-year before they did not bring out a single company. The whole of these profits consequently had been earned in regular, true, and legitimate business. (Cheers.) He was not aware that he had anything to state, but should be happy to answer any questions that hon. members might put to him. With the permission of the meeting, he proposed to move that the report and accounts now before the meeting be read and adopted.

Mr. Morrison seconded the motion. The chairman called attention to the increase of the current expenses, which amounted to this half-year to £13,924.

The chairman explained that a portion of the increase was on account of capital not being all paid up last half-year, which rendered the amount on to the directors less in amount, and that the extension of the business necessitating a larger staff and better offices, accounted for the increase. The expenditure on this item during the previous half-year was £12,823, and during the last-year £13,924, so that in fact the increase was not very large.

A shareholder inquired what amount of deposits was included in the account.

The chairman replied that the whole item, comprising deposits, interests, and current accounts, was £649,187, and probably out of that

£640,000 were on deposit. (Hear, hear.) increase that item, because it was mainly deposits that they were able to work the as to give such good dividends. (Cheers.)

In reply to a further question,

The Chairman said they did not anticipate present there was not the remotest chance entered into their thoughts. (Hear.)

The report and statement of accounts were and a dividend and bonus, amounting together were declared, being at the rate of £15 per c

A cordial vote of thanks to the directors seconded by Mr. W. Read, and carried by acceedings.

THE CITY BANK

THE ordinary half-yearly general meeting of the bank was held on the 18th July at the London port of the directors and declaration of the ending the 30th of June. Mr. Jones, in the chair of Mr. Bell, presided.

Mr. Worth, the secretary, having read the report, the usual formalities were gone through.

The following report and balance-sheet were presented.

"The directors beg to submit to the shareholders of accounts to the 30th June, showing a gross profit of £65,315. 9s. This result enables the directors to pay interest on bills discounted not yet due, to the rate of £6 per cent. per annum on £500,000, the profit of £2. 5s. per share on 10,000 shares, together with an annuity, and to carry forward £1,293. 13s. 3d. to the account. The following gentlemen retire from office, viz.—Mr. East, Mr. Henriques, and Mr. Young. They themselves for re-election. It is with deep regret that, from circumstances which have arisen, Mr. Bell has deemed it necessary to tender his resignation of the institution; they cannot, however, allow this to affect the institution; acknowledging the important services rendered by him to its formation, and the high honour which he has brought to its relations with it. The business of the Bank has afforded highly satisfactory results. The dividend (after income tax) will be payable on and after Tuesday next."

Dr. Liabilities and Assets, June 30th 1891.

Capital paid up—viz., £50 per share on 10,000 shares	£500,000
Amount of reserve fund	£1,293. 13s. 3d.
Amount due by the bank on current and deposit accounts	£1,293. 13s. 3d.
payable, letters of credit, &c.	£1,293. 13s. 3d.
To profit and loss, for the balance of that account	£1,293. 13s. 3d.
profit forward from last half-year, £4,000	£4,000
since added, £60,629. 19s. 1d.	£60,629. 19s. 1d.

Cr.

Exchequer bills, Government securities, and East India debentures	£305,642	10	0
Other securities, including bills discounted and loans	4,691,576	15	5
Bank premises in Threadneedle-street and Old Bond-street, furniture, fixtures, &c.	29,458	13	3
Cash in hand, at Bank of England, and at call	651,100	12	0
	<u>£5,677,778</u>	<u>10</u>	<u>8</u>

*Profit and Loss Account of the City Bank for the half-year ending
June 30th, 1865.*

Dr.

Current expenses, including salaries, rent, stationery, directors' remuneration, proportion of building expenses, bad debts, income-tax, &c.	£20,938	13	8
Amount carried to profit and loss new account, being rebate on bills discounted not yet due	5,583	2	1
Dividend account for the payment of a dividend at the rate of £6 per cent. per annum upon £500,000, amount of paid-up capital upon 10,000 shares	15,000	0	0
Bonus of £2. 5s. per share on 10,000 shares	22,500	0	0
Undivided profit transferred to profit and loss new account	1,293	13	8
	<u>£65,315</u>	<u>9</u>	<u>0</u>

Cr.

Balance brought down, viz.:—Surplus profit brought forward from last half-year, £4,685. 9s. 11d.; since added	£60,629. 19s. 1d.	...	...
	£65,315	9	0
	<u>£65,315</u>	<u>9</u>	<u>0</u>

The Chairman, who had stated previously that he occupied the chair in consequence of the resignation of Mr. Peter Bell, said that the figures in the report elucidated so clearly the position of the bank, that it was not necessary for him to make any comments upon them. He would therefore content himself with simply moving the reception and adoption of the report and accounts. At the same time he should be happy to answer judiciously any questions which hon. proprietors might put, or to supply any information which they were desirous of receiving. Before putting the resolution, it was his duty to declare a dividend of 6 per cent. per annum on £500,000, the paid-up capital, together with a bonus of £2. 5s. per share on 10,000 shares, which, together, was equal to 15 per cent. per annum. (Cheers.)

Mr. Hackblock seconded the resolution.

Mr. H. S. Brown inquired how it was that the current expenses, which last half-year amounted to £14,000, were put down at £20,938.

The Chairman explained that the increase under this head did not arise from any large addition to the working expenses, but from its being necessary to make a larger allowance than ordinary for bad and doubtful debts.

Mr. Brown inquired whether the £30,000 set aside last half year to meet the bad and doubtful debts had been exceeded, and this additional amount rendered necessary.

The Chairman replied that he had already explained that the deficiency arose from bad debts exceeding in amount the ordinary sum set apart on that account.

Mr. Rushfield said that it would be in the recollection of the meeting that on the last occasion he called attention to the necessity of appointing auditors who should be alike independent of the proprietors and the directors. He should wish to see first-rate accountants quite unconnected with the bank appointed. He was satisfied that that was a wholesome rule, and he felt so strongly upon the point that he was of opinion that at no distant day the Government would take the matter up, and compel a public and independent audit, not only of banks, but of all joint-stock companies. Such a proceeding, so far from being injurious to the bank, would increase the confidence of shareholders, and prevent the possibility of a recurrence of such disasters as had taken place in respect to several commercial undertakings of a similar character. He was quite aware that it might be said that he was casting censure on the present auditors by bringing forward such a subject. He did not say one word against either of the auditors, of both of whom he had the highest possible opinion, but he did say that it was but human nature that auditors should wish to become directors, and if he himself were an auditor who wanted to become a director he should feel that it would be quite impossible for him to attain his object if he always set himself in opposition to the board, and refused to accept the accounts as stated by them. Now the very question that had been raised about the increase of the expenses must have come under the attention of the auditors, because it appeared by the statement that they were not expenses but bad debts, and had there been auditors unconnected with the bank everything would have been under its proper head.

The Chairman said that the item in question included bad debts.

Mr. Rushfield understood that the reason for putting the expenses down at the increased amount of £20,938 was on account of an increase in bad debts. He knew very well that there were some banks that had no auditors at all. For his part he should be sorry to have anything to do with such institutions, and thought nothing could be more to the advantage of proprietors generally than that there should be a thoroughly independent audit, and he pointed to the beneficial working of the public audit of the gas companies of the metropolis, which had been insisted on by the Government, alike for the benefit of the gas consumers and the proprietors, as a reason for the introduction of some such system into banks and commercial companies. He was quite sure that by its adoption they would secure a course of prosperity which they could obtain in no other way.

Mr. Billing thought that the questions which had been asked would have been rendered unnecessary had the chairman made a detailed statement of the position of the bank. No information, however, was given as to the sum required for bad debts, and at the time it was stated that the amount reserved for that purpose was ample to cover all the losses. The natural question to ask was, had it done so, and if not, whether it had been necessary to take a portion of the profit, as well as the sum reserved to meet the losses. What he wished to know was, whether it was proposed to set aside a further sum as a reserve, to meet future losses, as well as to defray those which had been incurred. As reference had been made to the appointment of auditors, he wished to observe that he considered it highly desirable that the shareholders should have some voice in the appointment of directors whenever a vacancy arose. Up to the present time it had

been usual for the board to fill up all vacancies, and then to submit a mere formal motion to the shareholders confirming the appointment. He recommended that when vacancies arose the directors should submit a list of the shareholders eligible to be on the board, and those whom they recommended, leaving the actual election to the general body of the proprietors. Above all, he hoped that they would establish a reserve fund for the purpose of meeting current losses, which reserve might come out of interest, and need not materially effect the dividend.

The Chairman, in reply to the observations made respecting an audit by persons wholly unconnected with the bank, said that the board promised on the last occasion to take the matter into consideration. They had done so, and, after giving due weight to the arguments brought forward by the hon. proprietor, they had come to the conclusion, unanimously, that it was not desirable or for the interests of the company to appoint a paid accountant to investigate the affairs of the bank, which were conducted prudently and discreetly, being known only to the officials and the directors. When accountants were introduced from without, the work was not usually done by the accountant himself, but gentlemen deputed by him were sent to the office, who saw all the arrangements of the bank and the nature of each account, and a principle of vast importance—that of secrecy—was immediately upset. In addition to this, he might say that they were bound in this matter to act in accordance with the terms of their charter, which was drawn up under the authority of the Government and had been strictly scrutinised. That charter declared that two of the shareholders chosen at the meeting should be the persons appointed to audit the accounts. It had been alleged that shareholders appointed in that way naturally desired to become directors, and would pass the accounts submitted by the directors without much examination. He was not there to discuss the reasons why gas companies should have public auditors; but they all knew that the Bank of England and several of the chief banks of London, including the London and Westminster, the Union, and other joint-stock banks, had no auditors at all, and yet were most flourishing institutions. With regard to the observation about the auditors wishing to become directors, he could only say that no gentleman who had ever sat at the board of this bank had been an auditor. Mr. Billing had referred to the circumstance that it was stated last year that an ample reserve had been set aside for losses, but the fact was that the losses of last year were rather more disastrous than had been anticipated, and exceeded the amount which the board thought would be sufficient. Everyone who was connected with the sale of produce knew that the market for many sorts of produce, instead of responding, had declined with the declension of the interest of money. They took the valuations at the current rate of the day, which proved insufficient, which was the reason why a considerable sum had been added to the present half-year's account. The bank had not suffered in the present half-year, for a very small sum was sufficient to cover their losses upon it, and they were able to pay a very handsome dividend, which dividend he assured them had been earned. (Cheers.) He hoped that explanation would be satisfactory, and he had endeavoured to make it as clear as possible.

Mr. Perry inquired whether they intended to fill up the vacancy on the board occasioned by the resignation of Mr. Bell.

The Chairman stated that the retirement of that gentleman had reduced the number of directors to twelve, and it was proposed to retain it at that number. (Hear, hear.) If the board considered it was judicious at any future time to recommend the addition of any particular gentle-

man, the shareholders would have full opportunity of expressing their concurrence or otherwise in the recommendation of the directors.

The retiring directors, Messrs. East, Henriques, and Young, were then unanimously re-elected.

Mr. Rushfield moved and Mr. Perry seconded, the re-election of Messrs. Owen, Lewis, and J. Curry as auditors, which was unanimously agreed to, a vote of thanks being given to them for their past services.

On the motion of Mr. Alderman Abbiss, a cordial vote of thanks was given to the chairman and directors, and a similar compliment to the manager terminated the proceedings.

IMPERIAL MERCANTILE CREDIT ASSOCIATION, LIMITED.

THE second ordinary general meeting of this company was held at the London Tavern, on the 13th July; Mr. P. D. Hadow in the chair.

The Secretary (Mr. Winterbottom) having read the advertisement convening the meeting, also read the following report and statement of accounts:—

"The directors have the satisfaction of submitting the annexed statement of accounts, made up to the conclusion of the past half-year, from which it will be seen that, after discharging all expenses of the establishment, and providing for rebate of interest on loans and bills not yet matured, writing off all losses and making ample provision for every contingency, there remains for disposal the sum of £103,975. 1s. 8d. This amount the directors recommend to be appropriated as follows:—To dividend of 10s. per share or 20 per cent. per annum, free of income-tax, £50,000; to income-tax, £833. 6s. 8d.; to balance of profit unappropriated, £53,141. 15s. The operations of the amalgamated Company have now extended over a period of thirteen months. The amount of profits distributed in January last, added to that now exhibited, shows a total of £153,975. 1s. 8d. The directors consider they are justified in congratulating the proprietors upon a result which, bearing in mind the difficulties which almost invariably attend new undertakings, and the exceptionally unfavourable condition of all monetary affairs during a considerable portion of the time, cannot be regarded as otherwise than satisfactory for the past, and encouraging for the future."

Balance-sheet, 30th June, 1865.

CAPITAL AND LIABILITIES.

Dr.		
Capital: 100,000 shares of £50 each, £5 per share paid up	£500,000	6 "
Liabilities: Cash held upon deposit, £2,129,325. 8s. 3d.;		
credit balances, £209,747. 7s. 4d.;	2,339,072	15 7
Bills payable, £394,537. 16s. 10d.; bankers' credits,		
£550,000; endorsements and guarantees, £946,708. 6s. 9d.;		
sundry accounts for commissions and charges unpaid,		
£19,574. 13s. 8d.	1,910,820	17 3
Rebate on bills not due	15,404	10 10
Profit and Loss: balance being net profit carried down ...	103,975	1 8
	<u>£4,869,273</u>	<u>5 4</u>

ASSETS.

Cr.

Cash at bankers, in hand and at call	£227,156	13	5
Bills receivable	1,444,996	11	11
Loans, securities, and current accounts	2,605,282	16	5
Investments and interest accrued thereon	591,006	13	7
Office furniture, fittings, &c.	830	10	0
	<u>£4,869,273</u>	<u>5</u>	<u>4</u>

Profit and loss account, from 1st January to 30th June, 1865.

Dr.

Dividend of 10s. per share on 100,000 shares	£50,000	0	0
Income-tax on above	833	6	8
Balance of profits unappropriated	53,141	15	0
	<u>£103,975</u>	<u>1</u>	<u>8</u>

Cr.

Balance being net profit brought down	£103,975	1	8
	<u>£103,975</u>	<u>1</u>	<u>8</u>

The Chairman, in moving the adoption of the report, accounted for the absence of several of the directors who were down in the country as candidates at the general election. Whatever report they might make of themselves to the electors, he doubted whether it would be so entirely satisfactory as the report made to the shareholders of this company that day, and which was a report that he confidently predicted would meet with general approbation. He need not dwell on the peculiarity of the business, the care, experience, and vigilance required to be possessed by the directors, or the amount of careful discrimination which must be exercised by the managers. Looking to results, he thought all that might be taken for granted, inasmuch as at a time when there had been a most exceptional rate of interest, and when the recent speculative mania had been succeeded by a period of dullness and reaction, they had still been able to present to the shareholders a most favourable balance-sheet. (Hear, hear). He was happy also to say that the business had improved not only in quantity but in quality. (Cheers). They had gained experience, and now stood in a position much more independent of the speculations of the stock market or the changes, rapid and unexpected as they were, in commercial affairs. Whether things were in a state of depression or elation, this company was in a position to do a comfortable business, and the fact that their deposits during the last half-year had increased by more than £1,000,000 was a proof of public confidence in their security to an extent far beyond anything that could be expected by a young association of this kind. Their worthy chairman dilated most eloquently upon the character of their securities at the last meeting, but as a plain business-man he would simply content himself with saying that they were good, and he believed entirely sound. The directors were largely interested in the success of the undertaking, and they felt that while they were watching over the interests of the shareholders they were watching over their own. (Hear, hear). He concluded by moving the adoption of the report.

Mr. M'Pherson seconded the motion.

Mr. Beckford called the attention of the last balance-sheet there was a balance of betw appropriated; he wished to know what had had been amalgamated with the net profit ap of £103,000.

The Chairman replied that it was in the su of profits unappropriated, £53,141.

Mr. Beckford expressed an opinion that i separate item in the accounts, because as the sion was created that the net profits of the £103,000, whereas in point of fact they did n half that sum.

Mr. King also took the same view, and better to have at once placed the earning making them appear 40 per cent., as was done accounts.

The Chairman explained that it was expr the operations of the amalgamated company h of thirteen months, and that the amount of last added to that now exhibited showed a tot So that it was perfectly clear what was mean it would be better to have a separate item the account, but it was the opinion of men o that the present form of the accounts was a

Mr. King called the attention of the board Humber Iron Works Company, which was Mercantile Credit Association. It was stat company that a profit of 20 per cent. might remunerative contracts, to the extent of £3 the fact being, that instead of being remuner contracts involved a loss of £40,000. The o Works declared that they were not respons prospectus, and the ultimate result was that were not now worth 5s. a piece. It was the like the present, scrupulously to investigat a prospectus, because it was on the faith of s were subscribed for, and it could not be den out schemes in which all the promises in would, in the end, be most injurious to th brought them out.

The Chairman explained that the Humber not really brought out by this association in the old Mercantile Company, who were de made to them by those who proposed to brin be satisfactory to the meeting to know that n which had been sustained, part of which w the amplest allowance had been made in (Cheers.) The present account was rather b because they then carried over £53,000, wit the loss sustained through the Humber Iron applicable to that year, although its amount They now carried over £103,000 with a b shareholders might be well assured that a sin Works would not again occur.

A Shareholder thought that, even taking into account what had been brought forward, there was great reason to be satisfied.

Mr. Cope was also of opinion that the shareholders ought to be grateful to the directors for having pulled them through the difficulty so manfully. He was very glad the question had been brought forward, because it had elicited the very satisfactory information that they were now quite clear of this miserable concern. (Hear, hear.)

The Chairman observed that the bringing out of new companies was a class of business which in most cases was very successful, but it was of course attended with a considerable degree of risk. He was happy to inform the meeting that the proportion of profit earned this year by bringing out new companies was very small as compared with that derived from other and a more legitimate description of business. (Cheers.)

The motion for the adoption of the report and statement of accounts was then put and carried unanimously; and a dividend of 10s. per share, equal to 20 per cent. per annum, was declared.

The Chairman then proposed a special resolution to the effect that the directors might, from time to time, make calls on the members in respect to the unpaid capital to the amount of £5 per share, payable in not less than three months after the previous call, twenty-one days' notice being given of the intention of the directors to make such call. He explained that the effect of the alteration was to limit the power of the directors in making calls to £5, whereas at present they had power to call £10 or £15 if they liked. In point of fact, to put an extra case, they were empowered, under the present articles of association, to call up £45 upon every share.

The resolution having been seconded,

Mr. King suggested that the limit should be £2. 10s. A call of £5 produced a half a million, and he did not think it would be found necessary at any time to make a call to such an extent, especially as the shares were held in hundreds and fifties. He thought it was much better that they should limit the power of the directors to calling up a quarter of a million at a time, and moved an amendment to that effect, which was seconded by a shareholder.

The Chairman explained that although it was proposed to retain power to make a call of £5 at once, the directors had no idea or intention whatever to make a call. It was not necessary that, even with such power, the directors should make a call exceeding £1 or £2, nor, indeed, with continually increasing deposits, was it likely they would require to make any further calls. At the same time, he thought more confidence would be felt in the company if the directors were empowered to make a call to the extent proposed, though such power were never exercised, and he hoped the meeting would support the views of the directors upon this subject.

The amendment was then put to the meeting and lost, only about twenty hands being held up for it, and the original motion was agreed to.

The Chairman stated that an extraordinary general meeting, of which due notice would be given, would be held at the office to confirm the last resolution.

In reply to a question from Mr. B. Scott,

The Chairman stated that four vacancies had taken place on the board, three during the past half-year, and one in that preceding; but, in accordance with the wishes of the shareholders, it was not intended to fill them up, and if a person of great commercial standing and experience, one who could bring a great deal of business to the company, offered himself, the board would think it right to submit the matter to the meeting. (Cheers.)

A cordial vote of thanks was given to the chairman and directors, and a similar compliment to Mr. Barker, Mr. Sandeman, and the officers of the bank, for their able management of its business, terminated the proceedings.

LONDON AND WESTMINSTER BANK.

A GENERAL meeting of the proprietors was held on the 19th July, at the bank in Lothbury, for the purpose of receiving a half-yearly report from the directors, and declaring a dividend; Mr. Alderman Salomons, M.P., presided.

Mr. Shipp, having read the advertisement convening the meeting, read the following report and statement of accounts:—

"The directors have to report that—after making provision for all bad and doubtful debts, paying the income-tax, and setting apart £2,000 towards the buildings of the bank—the net profits of the bank for the last half year amount to £151,498. 7s. 8d. This sum, added to £9,357. 1s. 5d., the unappropriated balance of the preceding half-year, will amount to £160,855. 9s. 1d. Out of this amount interest on the rest, or surplus fund, at the rate of 5 per cent. per annum (£8,250) has been added to that fund, which now amounts to £338,250. The directors now declare a dividend to the shareholders at the rate of 6 per cent. per annum, and by way of further dividend out of the profits, a bonus of 10 per cent. on the paid-up capital. After these payments are made there will remain a balance of £22,605. 9s. 1d. to be carried to the profit and loss account for the current half-year.

LONDON AND WESTMINSTER BANK, JUNE 30, 1865.

Dr.

Proprietors for paid-up capital	...	...	...	...	£1,000,000	0	0
Amount due by the bank on deposits, circular notes, dividends, and other monies, payable on demand*	...	...	...	...	19,552,177	10	5
Rest, or surplus fund	...	...	...	...	330,000	0	0
Balance of profit and loss account, Dec. 31, 1864	...	...	...	...	9,357	1	5
Net profits of the past half-year	...	...	...	...	151,498	7	8
					£21,043,032	19	6

Cr.

Government stock, Exchequer bills, and India bonds	...	...	...	...	£2,489,412	9	0
Bills discounted, loans to customers, and other securities	...	...	...	...	16,936,300	12	5
Cash in hand	...	...	...	...	1,617,819	18	1
					£21,043,032	19	6

PROFIT AND LOSS.

Dr.

Expenditure of the eight establishments, including rent, taxes, salaries, stationery, &c....	...	...	...	...	£52,970	8	1
Amount set apart towards the buildings of the bank	...	...	...	...	2,000	0	0
Amount added to rest or surplus fund, by interest thereon, at 5 per cent. per annum	...	...	...	...	8,250	0	0
Carried forward	...	...	...	...	£63,220	6	1

* This sum does not include acceptances, £985,211. 10s. 2d.

Brought forward...	...	...	...	...	£63,220	8	1
Payment of the dividend now declared, at the rate of 6 per cent. per annum, for the last half-year on the paid-up capital of £1,000,000	...	...	...	...	30,000	0	0
Bonus of 10 per cent. on the capital	...	...	...	...	100,000	0	0
Balance of profit and loss account	...	...	...	...	22,605	9	1
					<u>£215,825</u>	<u>17</u>	<u>2</u>

Cr.

Balance of profit and loss account, 31st December, 1864	...	£9,357	1	5
Gross profits of the last half-year, after paying the income-tax, and making provision for all bad and doubtful debts	...	206,468	15	9
		<u>£215,825</u>	<u>17</u>	<u>2</u>

REST OR SURPLUS FUND.

Dr.

Present amount	...	...	...	...	£338,250	0	0
					<u>£338,250</u>	<u>0</u>	<u>0</u>

Cr.

Amount on the 1st January, 1865	...	£330,000	0	0
By interest on ditto, at 5 per cent. per annum	...	8,250	0	0
		<u>£338,250</u>	<u>0</u>	<u>0</u>

“The dividend and bonus (without deduction of income-tax, which is paid by the bank) will be payable on Monday, the 24th July.”

The Chairman, in moving the usual resolution, said: Gentlemen, the report which you have just heard read, and a copy of which you have in your hands, contains a true and accurate statement of the affairs of the bank. I do not think that I can add anything in the way of elucidation, and I shall therefore have to trouble you with but very few words. This, as you are aware, is the interim half-year, when we lay before you a statement of the results of the first half-year's operations. The only observation I have to make is, that the deposits are a good deal in advance of what they were at this time last year, and amount at this time to nearly £11,000,000, but the rate of discount has been considerably lower during the past half-year than it was in the corresponding period of last year, which to a certain extent has militated against our profits. At the interim meeting last year you will remember that we paid you at the rate of 14 per cent., whereas now we propose to pay you at the rate of 13 per cent. on the entire paid-up capital, carrying forward £22,605 to be accounted for at the end of the year. (Hear, hear.) During the first half of last year the average value of money was $6\frac{1}{2}$ per cent., which is very high, and now it is somewhat below the usual average rate in a healthy state of business, so that we do not obtain the same rate of profit from the money we lend out. The deposits, which are the great source of our profits, are, as I have said, looking very well, and we have every reason to hope that they will continue to do so to the end of the year, when, notwithstanding the low value of money, we trust we shall be able to offer you a dividend that you will consider satisfactory. (Hear, hear.) But whatever the rate of dividend may be, you may depend upon it that it will be a true divi-

dend, based upon the net profits after deduction and making every allowance for bad and doubtful charges. (Hear, hear.) I beg to move the resolution perhaps some gentleman on the other side of the house will hear.)

Mr. Hill, a proprietor, responding to the motion.

A Proprietor suggested that it would be better to circulate amongst the proprietors a few days before done in the case of several other joint-stock banks.

Mr. Horne concurred in this suggestion, and the subject under the notice of the directors on the next day.

The Chairman remarked that the question of the accounts was frequently considered by the board, but the old practice which had worked well, unless it was likely to arise from it. He thought it very desirable that the shareholders should attend and meet them such explanations as might be considered. He much doubted whether if they were to circulate containing a full statement of their affairs, the shareholders now attended would think it worth while to be at the election at Oxford. It had been there found that so satisfactory or certain a process as persons to introduce politics, but he still thought that the proprietors coming to the office, meeting them as co-proprietors in the same concern, how things were going on. The accounts were inspected of any proprietor who pleased to make up, which was generally about a week. He thought that was sufficient. Still, if any proprietors wished it, the board would again take into consideration, although, for his own part, he thought it better to adhere to a practice which had hitherto answered. The Bank of England did not publish their accounts, should the London and Westminster? (He thought not like some of those ephemeral money matters springing up around them, and in respect to the report and accounts before the meeting in January. Another point. The London and Westminster Bank held their meetings each half-year, that was the third Wednesday in January. Sometimes when it fell on the first of the month, there was only one day for the closing of the account for the half-year and only for the making the accounts up, and people have made up their minds as to the dividend. Under all the circumstances, and looking at the present, he thought it would be better to adhere to the practice which had answered so well. Let them keep the Westminster line of rails, upon which they had been running, and not go off upon some other line of which he was not sure. (Cheers.)

A Proprietor observed that there was a question of the profits, which the chairman, as he understood, was to rate of interest. The first half of the year

000, in the next half-year they were £238,000; whereas in the half-
embraced in the accounts now before them they were £150,000. This
very large falling off, and he wished to know whether it all arose
the reduced rate of interest, or from the partial failure of any other
of profit? At the last meeting it was stated that £20,000 was set
for the improvement of the building—where was there any statement
real value of the buildings belonging to the establishment? He saw
assets bills discounted, loans, and other securities, £16,900,000;
it include the buildings also? He wished to put another question
the money paid for Jones Lloyd's business. He understood that
00 was the amount to be paid for the purchase; £80,000 he believed
d at first, and a further sum afterwards of £27,000; he wished to
now much was still due?

Chairman—With regard to the net profits, the rules of multiplica-
reduction, and addition would easily explain the diminution as
ed with the two previous half-years. When you had £18,000,000
bits to lend out with money at $6\frac{1}{2}$ per cent., it necessarily yielded
larger return than when the rate of discount was only 4 per cent.
therefore, upon the whole the present was a very favourable account
ared with that of last year. (Cheers.)

proprietor—But you reduce the interest you allow to the depositors in
on.

Chairman—No doubt we do, but we have a great deal of other
to deal with besides the deposits, and last year we had a larger
between the price at which we took in money and that at which
it out than we have this year. Again, last year we sustained very
s indeed; this time we have have had to write off something which
in reduction of the general profit account. With regard to the
here, the hon. proprietor says truly that £20,000 was written off
unt, and the building is now, I am happy to say, nearly completed.
banking house will be one of the handsomest and most com-
in London. It will contain plenty of space for the clerks and
breathing room, and when complete it will have cost us about

The entire value of the property, including what we have pur-
written off, is from £105,000 to £110,000, and, as I have said,
have the most handsome and convenient banking house in
The building itself, when we get into it, will have cost £65,000,
will contain double the area of the present bank. The premises
belonging to Jones Lloyd stand now as an asset of £80,000; and
it into the market we could get a great deal more for it, or we
it, I believe, at £6,000 a year. So far as we can at present see,
not require to occupy those premises for our own purposes, and I
doubt we shall be able to let them profitably.

dford suggested that it would tend to increase the amount deposited
bank if they relaxed the rule which allowed interest only on sums
and upwards.

Chairman—We have £19,500,000 in deposits and other moneys
to our keeping by the public, and I do not think we ought to go
r way to make it larger. (Cheers.) Our deposits and our divi-
l compare favourably with any other bank, and I think we had
ve the matter of the interest to be allowed to customers where it
s, with the directors. (Cheers.)

olution was put and carried unanimously.

Chairman, in declaring the dividend and bonus, as recommended in

the report, stated that in consequence of a wish of the holders, a circular would be issued to the proprietors at the next meeting, with the view of taking their views on the subject, whether they would prefer the dividends to be paid, as they were now, or by signing the book, or by dividend warrants.

A Proprietor—Do you not intend to pay off the purchase?

The Chairman—When we can afford it. The house, which is freehold, stands as an asset.

A Proprietor—What is the amount of bad debts?

The Chairman—It is rather above the average. I do not think it necessary to say more.

On the motion of Mr. Edenborough, a vote of thanks was given to the chairman and directors for their able administration of the company during the past half-year.

The Chairman—On behalf of my brother directors, I thank you for this expression of your good opinion. On former occasions, I take it as an indication of your confidence—(hear, hear)—and that we have presented to you are honest and just. It is for granted as to the bad debts that all is well. It is worth while to revive the subject, as the only details on the subject would be to gratify curiosity.

The Proprietor who asked the question—I directed the directors. I merely asked the question upon any reason why it should not be answered.

The Chairman—I have no objection to answering the question. About £10,000 in the half-year, and in the last half-year to £13,500. (Cheers and laughter.) This great improvement I am glad of it. (Hear, and a laugh.) I suppose it was nearer £150,000. We only maintain a respectable balance because we think it better to wash our dirty linen in public than not very dirty after all. (Hear, hear.) I have to perform to the general manager, the branch managers, and the bank. (Hear.) You who are proprietors are in constant intercourse with them, and admit that not only here in the city, but where business is conducted in a manner which reflects credit on the gentlemen. (Hear.) They have the entire confidence of the public. I have therefore great pleasure in moving that thanks be given to Mr. Ewings (the general manager), Mr. Shipp, our secretary, who is an exceedingly capable man, and other officers of the establishment, for their excellent services during the year. (Hear, hear.)

Mr. Esdaile seconded the motion, which was carried.

Mr. Ewings, who was much cheered, said—The directors are very sincerely for this renewal of their confidence towards my colleagues and myself, and I beg to thank the proprietors for the very kind manner in which they have received me. I have to acknowledge on the part of myself and the directors our periodical recognitions of our services. (Cheers.) It has been, as you are aware, gentlemen, an eventful year in the commercial circles, but we have adhered to the good old principles, and all," in carrying out the business of this institution.

our efforts have been successful, and are appreciated by you
 To you, Mr. Chairman, our gratitude is especially due for
 terms in which you have been pleased to call the attention
 to our services in proposing this vote of thanks. (Cheers.)
 Thanks to the chairman concluded the proceedings.

CONSOLIDATED DISCOUNT COMPANY.

Ordinary meeting of shareholders was held on the 19th July,
 Tavern; Mr. T. S. Richardson in the chair.
 The report was read by Mr. Vokes the secretary:—

Regarding the annexed balance-sheet the directors have much
 to bring the attention of the shareholders to the result of the last
 operations, which they trust will be considered satisfactory.
 The results for the six months ending June 30, are £13,261. 2s. 11d.,
 deducting current expenses, and rebate of bills not yet due, there
 is a profit of £6,620. 2s. 6d. Agreeably with the wishes expressed
 in the report, the rebate of bills not due on 31st December, amounting
 to £9d., has been introduced into the present statement, and with
 this brought down leaves £1,978. 4s. 1d. to the debit of next
 year, considering the limited amount of capital which the manager
 has to command the directors think this a good result; and while ex-
 confidence in the ultimate success of the company, would
 encourage the holders to co-operate with them in influencing, as far as pos-
 sible, the opening of deposit accounts."

Balance-sheet, 30th June, 1865.

£100,000 shares at £20 paid, £7,240; 8,948 shares					
at £89,480, making a total of £96,720. Deduct					
undivided, 362 at £20 paid, £7,240; 400 at £10					
=£11,240, making a total of £85,480; ten shares					
at £8 paid, £80	£85,560	0	0		
loans, deposits, &c.	1,948,960	16	4		
account, gross profit during the half-year	13,261	2	11		
	<u>£2,047,781</u>	<u>19</u>	<u>3</u>		

exchequer bills, consols, and cash in bankers'					
£58,030	14	9			
l, advances, &c.	1,973,208	14	8		
ssrs. Sandeman, Sanderson, and Co., for purchase					
ness, £19,500. Deduct 50 per cent. discount on					
rendered by them as agreed, £5,620.	13,880	0	0		
expenses, including furniture and fittings for					
2,662	9	10			
	<u>£2,047,781</u>	<u>19</u>	<u>3</u>		

Profit and Loss account for the six months

Balance standing from debit brought forward	
December, 1864, £1,259. 11s. 10d. ; rebate of interest	
discounted, not then due, £7,338. 14s. 9d.	
Current expenses, including salaries, rent, stationery,	
management, directors' and auditors' remuneration, and	
charges	...
Rebate of interest on bills discounted, carried forward	...
account	...

Gross profits during the half-year, including rebates
 forward per contra
 Balance carried to the debit of profit and loss new

The Chairman in moving the adoption of a different task that day to fulfil from that which they had set themselves. In their first year of business they had met with a period of almost unexampled losses. He remembered a shareholder asking (whether we could continue to put confidence in the chairman), however, felt confident that it would be a prosperous company if it were conducted in the times were more propitious. He did not think their prospects by that adverse and exceptional year they had made good profits, and although even houses of high standing had failed right and left half-year up to the 30th June lost a single shilling. He did not say the company would never lose, but with great caution, and, considering what small funds he had at his disposal, it was really surprising that they had realised a gross profit of £13,261, and a net profit of £10,000. He regretted to say that the losses of the previous year had added a sum to their debit that this did not wipe it out. In the management he believed they would by the end of the year pay a good dividend. (Cheers.) He must, he thought, give them all satisfaction, and confidence in the success of the company. There was much which he wished to refer. They would see that they had chased the business of Messrs. Sandeman, Sandeman & Co. be paid so much in money and so much in shares, which in the market, much lower than their actual value. of his colleagues he proposed to Messrs. Sandeman shares at 50 per cent. discount, the effect of which was a portion of the purchase-money, and reduce it to 25 per cent. And as the directors did not want the account of the transaction was so stated in the balance sheet, added to profit and loss, which it might fairly be said was one which he had been particularly anxious to mention, and that was the promoter's matter how small, which would enable the company

concluded by moving the adoption of the report and (Cheers.)

seconded the motion. The negotiation with Messrs. Co., which had resulted in a gain to their capital account due primarily and entirely to their chairman (cheers), their directors concurred in carrying out that fortunate (Cheers.)

Cleave said that he found at the bottom of the balance-sheet "Examined and found correct, James Cooper and W. & Co." He wished to know what those gentlemen "found" it was the addition he could add it up for himself. They had £85,000, and their assets were £1,973,000, and he should wind up, with the view of winding up the company, whether all good.

He said the auditors had examined the books and had seen the house—nothing had been hidden from them.

The auditor, said they had balanced the accounts and found all right and with regard to other accounts, they had gone through and had satisfied themselves that what they had certified was correct to be. (Cheers.)

He said that was no answer to his question. The chairman made no bad debts; but the balance-sheet showed that they had a great deal of paper, and he wished to know what proportion of those were considered as bad or doubtful.

He replied they had some bills held over from 1864, on which he had been paid, and beyond those they had not, on the other hand, any dishonoured bills. Was that satisfactory?

Certainly not. His question was whether, out of the many bad or doubtful debts were anticipated. (Cries of yes.) He had it on creditable authority that they had discounted a great many bills for a house that had failed, and he wished to know the fact. (Oh, oh, and cheers.)

He said: The hon. gentleman wishes to know if the directors were prophesying. (Cheers.)

The directors were administrators of his property, and he thought he had a right to ask. They stated they had assets to the value of £1,973,000, and all he wanted to know was whether they were all good.

He said he was anxious to answer every question put to him, but a shareholder said his questions were to lead to winding-up, it behooved him to be careful. He would, however, do his best for the hon. gentleman. Of course no one could tell with positive certainty the result of a large amount of bills like £1,900,000; indeed, he was not certain that there would be some loss, larger or smaller, might be; but when he saw that in the last six months they had losses at all, he had a right to anticipate the next six months might be equally successful, because their business had been conducted with the same prudence and care. There was every reason to expect that the bills became due they would be properly met. He hoped the result would be satisfactory. (Cheers.)

He remarked that Mr. Cleave's questions in themselves were not bad, but they appeared to be dictated by a bad spirit when he put them with a view to winding up the company. He had been a customer, and had often had his paper returned, and he could find fault with that, as it only showed that the manager

exercised discretion and ability in the discharge of what had been said about winding up would go to the single shareholder only. (Cheers.)

Mr. Cleave said the directors were all persons who he did not wish to cast the slightest imputation upon. They did their duty as well as they could under the circumstances at the matter as a man of business.

The Chairman was anxious to tell them what he knew. If they asked whether he anticipated any further failures from failures which had happened since the 30th of the negative. (Cheers.) There was one house which had held some of its paper, but a good deal of that paper was by the indorsers, and on what other paper the directors anticipated any loss. (Cheers.)

Mr. Cleave rejoined that it was asserted that the £45,000 of acceptances from a house that had failed had been heard of. (Cheers.)

The Chairman did not exactly know what had happened. He had discounted £70,000 worth of bills for one house, and a bit of it was bankers' paper. (Cheers.) If Messrs. Bell and Co., it was true they had been large holders of paper, and sent them a great deal of "beautiful paper," but some acceptances now, but they had all been paid. He did not anticipate the loss of a shilling on that paper. The directors came there with a clean balance-sheet, and meeting if it was right to demand names of the public. No shareholder had ever been refused at the office for it. (Cheers.)

Mr. Cleave rose again, upon which a shareholder, meeting, in indignant tones, moved that he be asked to leave the room. (Laughter.)

Mr. Filder remarked that the capital of the company was £85,000, and on that they had made in the last six months £6,620, or about 12 per cent., and he thought they were satisfied.

Mr. Levy did not think the company could have been so successful. He had refused unimpeachable bankers' paper for the capital. He did not expect the directors to be able to carry on an expensive establishment. It was impossible to carry on an expensive establishment. (Cries of "Sell your shares.")

Mr. Pixton was astonished that "large shareholders" should have their object was to destroy the value of their shares. He had bought his shares because he knew they had been refused bankers' paper when it was joined in. (Cheers.)

The question was then put and carried by a large majority, hands being held up against it.

Mr. Pixton said that, as the directors had not done anything in the last six months, it would be wrong to make a motion. He moved (in order to show his confidence in the directors) that Messrs. Constable and Denny, who had retired, be re-elected. (Cheers.)

The motion was carried unanimously, amidst much applause.

On the motion of Mr. King the auditors were elected for the former occasion, with twenty guineas each.

The Chairman moved a vote of thanks to Mr. Baker, the managing director (cheers)—whose caution, discretion, sagacity, and courtesy, he warmly eulogised.

Mr. Sichel seconded the motion. Mr. Baker had always acted towards him with the greatest courtesy even when he had to say "No" (laughter).

Mr. Baker briefly acknowledged the compliment. He said the policy of the directors was to exercise the greatest caution. Undoubtedly paper had been refused, but if their profits were thereby smaller they were safer. (Cheers.) Good business, however, was steadily increasing, and he had no doubt they would be able to show a better result next year. (Cheers.)

Mr. Charles Wright, in moving a vote of thanks to the chairman, wished to remark that as, according to Mr. Levy's statement, the company was short of capital, they had an easy remedy. The shares were £20, but £10 only was paid up. If, then, they wanted more capital, let them make an additional call. (Cheers and laughter.) He should be happy to respond to a call of that kind, as the results of the past six months and the ability and zeal displayed by the directors entitled them to expect even better things. (Cheers.)

Mr. Levy, amidst laughter and cheers, seconded the resolution, which, being carried unanimously, was briefly acknowledged, and the meeting dispersed.

LONDON JOINT-STOCK BANK.

THE half-yearly general meeting of the shareholders of this company was held on the 20th July, in the board room of the bank, Princes-street, Mr. George Pollard in the chair, to receive the report of the directors and declare a dividend.

Mr. Scrivener (the secretary) having read the notice convening the meeting, read the following report and statement of accounts:—

"The accounts which the directors have now the pleasure of submitting to the shareholders show that the net profits of the bank, for the half-year ending on the 30th ultimo, amount to £123,125. 15s. 3d. This result enables the directors to declare a dividend at the rate of 12½ per centum per annum, and a bonus of 8s. 3d. per share, together £1. 7s. per share, equivalent to 18 per cent. per annum on the paid-up capital of the bank, now amounting to £1,080,000, and to carry forward a balance of £25,925. 15s. 3d. for division at the end of the year. In conformity with the resolution passed at the general meeting in January last, the Consols and New Three per Cents. have been taken at 90, and the Exchequer Bills at par. The difference between these rates and the valuation of those stocks on the 31st December last amounts to £7,075, and this sum has been carried to the credit of the guarantee fund, which, with the addition of six months' interest, according to the provisions of the deed of settlement, now amounts to £309,615. 7s. 9d. It is with deep regret that the directors have to announce the death of their much-esteemed colleague, Mr. Henry Christy. To fill up the vacancy thus occasioned at the board an extraordinary general meeting will be convened for Thursday, the 7th September next; and any qualified shareholder intending to become a candidate for the office of director must give notice in writing of such intention, at this office, at least thirty clear days previous to the said day of election. The directors have to report that owing to impaired health Mr. Fleming Hewett has retired from the management of the bank; and the directors consider that after a zealous and faithful discharge of his duties in various depart-

ments during a period of twenty-six years, they have not appreciated those services too highly in awarding him a retiring allowance of £1,000 per annum, and which they trust will meet with the full concurrence of the shareholders. The dividend and bonus, free from income-tax, will be payable on and after Friday, the 28th instant."

LIABILITIES AND ASSETS, FRIDAY, JUNE 30TH, 1865.

<i>Dr.</i>	
Capital paid up—viz., 72,000 shares at £15 each	£1,080,000 0 0
Amount due by the bank on current accounts, deposit receipts, circular notes, and acceptances	18,959,124 10 4
Amount of "The Guarantee Fund," Dec. 31st, 1864, £298,069. 7s. 1d.; add difference in the valuation of Exchequer Bills and Government Stock on Dec. 31st, 1864, and the present valuation, £7,075	305,144 7 1
Amount carried to profit and loss account	196,769 1 6
	<u>£20,541,037 18 11</u>

<i>Cr.</i>	
Exchequer Bills and Government Stock, valued in accordance with the resolution passed by the general meeting of shareholders, on the 19th January, 1865, viz.:—	
£300,000 Exchequer Bills at par £300,000, £800,000 Consols and New Three per Cents. 90, £720,000	£1,020,000 0 0
Cash	1,027,370 2 7
Bills discounted, loans, and other securities	18,453,567 16 4
Building, furniture, &c., in Princes-street, £34,100; ditto, ditto, in Pall-mall, 6,000	40,100 0 0
	<u>£20,541,037 18 11</u>

Profit and Loss Account for the Half-year ending 30th June, 1865.

<i>Dr.</i>	
Current expenses, proportion of building expenses, directors' remuneration, bad debts, income-tax, &c.	£37,767 4 0
Amount carried to profit and loss, new account, being rebate of interest on bills discounted, not yet due	31,385 1 7
Six months' interest on "The Guarantee Fund," at 3 per cent. per annum	4,471 0 8
Dividend account for the payment of half a year's dividend, at the rate of 12½ per cent. per annum, upon £1,080,000, amount of paid-up capital upon 72,000 shares	67,500 0 0
Ditto, for the payment of a bonus of 8s. 3d. per share	29,700 0 0
Amount carried forward to profit and loss, new account	25,925 15 3
	<u>£196,769 1 6</u>

<i>Cr.</i>	
Balance brought down	<u>£196,769 1 6</u>

GUARANTEE FUND ACCOUNT.

<i>Dr.</i>	
Present amount	£309,615 7 9
	<u>£309,615 7 9</u>

Cr.									
Amount on the 31st of December, 1864	...	...	...	...	£298,069	7	1		
Interest on ditto to 30th June, 1865, at 3 per cent. per annum	...	...	...	...	4,471	0	8		
Difference in the valuation of Exchequer Bills and Government	...	...	...	...	
Stock as above	...	...	...	...	7,075	0	0		
					£309,615	7	9		

The Chairman stated that by the authority of the board he had to declare a dividend for the half-year ending the 30th June at the rate of 12. 10s. per centum per annum on £1,080,000, the amount of capital paid up, and a bonus of 8s. 3d. per share out of the profits of the half-year. He then moved that the report be received and printed for the use of the shareholders.

Mr. P. W. Flower (the deputy chairman) seconded the motion.

A Proprietor, referring to the item, "Add difference in the valuation of exchequer bills and government stock on the 31st December, 1864, and the present valuation," said he had been under the impression that there would be no more uncertainty with respect to the reserve account. The price having been fixed he was in hopes that the amount of the guarantee fund would be settled, but there was a difference in the valuation, and the old system was repeated. He wished to know if that system was to be continued?

The Chairman replied that the present was the winding-up of the old system, and that the item referred to now appeared for the last time.

A Proprietor inquired if an amendment on the amount of the dividend was not open to the meeting. (Cries of "No, no.") He did not think it was usual for the chairman to declare the dividend in that manner.

Mr. Flower replied that at every meeting that had been held the dividend had been declared in that manner, in conformity with the provisions of the deed of settlement.

A Proprietor remarked that the profits had not increased in proportion to the additional capital, and wished to know if that was owing to any heavy losses.

The Chairman observed that the accounts were made up in the usual form, and the statements contained in the report were very plain. It was quite evident from the result that the course which had been pursued was satisfactory. Seeing that the value of money had become lower, he considered the transaction of the affairs of the bank had been very well carried through.

One of the Directors, in reply to a question relative to the increase of capital, said that the proprietors had sanctioned the issue of 12,000 new shares, and a reserve of 8,000; but it was understood that nothing was to be done by the directors with respect to the 8,000 shares, without the sanction of the shareholders. As nothing on the subject was stated in the report, it was quite clear that no steps had been taken relative to those shares.

The motion for the adoption of the report was then agreed to, and the proceedings terminated with the usual vote of thanks to the chairman and directors.

ALLIANCE BANK.

The sixth ordinary general meeting of shareholders was held at the London Tavern, on the 21st July; Mr. Stenhouse in the chair. The following report was taken as read:—

"The directors have to report that the net profits of the bank, after deducting interest on current and deposit accounts, current expenses, provision for bad debts, and rebate on bills discounted but not yet due, amount to £27,653. 17s. 6d., which they propose to dispose of as follows, viz.:—£22,168. 2s., in payment of a dividend; £1,000 in reduction of preliminary expenses; £4,485. 15s. 6d. to profit and loss account of the current half-year. The above sum of £22,168. 2s., enables the directors to recommend a dividend of 12s. 6d. per share on the 30,000 shares upon which £25 per share is paid, and 7s. per share on the 9,766 shares upon which £20 per share is paid, being at the rate of £5 per cent. per annum. It is satisfactory to the directors to be able to state that the condition of the bank has materially improved since the last half-yearly meeting. With respect to the account specially referred to in their last report, the directors do not feel themselves in a position to determine the amount which will be required from the reserve fund to meet the loss that may arise thereon, as further time must elapse before the value of the securities and estates affecting it can be ascertained. In accordance with the wish expressed at the last meeting, the directors have increased their board by the election, subject to confirmation by the shareholders, of Christopher Atkinson, Esq., of Liverpool, and Matthew Hutton Chaytor, Esq., of London. The directors who retire by rotation, in accordance with the provisions of the articles of association, are John Paterson, Esq., James Nugent Daniell, Esq., John Torrance, Esq., Alfred Castellain, Esq., and, being eligible, they offer themselves for re-election. The auditors, Messrs. G. H. Jay and H. W. Banner, retire at this meeting. Mr. Banner offers himself for re-election, and Messrs. Quilter, Ball, and Co., of whose firm Mr. G. H. Jay was a partner, offer themselves for election in his place."

Balance-sheet, 30th June, 1865.

<i>Dr.</i>			
Capital paid up, viz.:—£25 per share on 30,000 shares,			
£750,000; less calls in arrear, £810	...	...	£749,190 0 0
£20 per share on 9,766 shares, 1864 issue, £195,320; less calls			
in arrear, £9,920	...	...	185,400 0 0
			<hr/> £934,590 0 0
Amount due to customers on current and deposit accounts,			
circular notes, &c., £1,753,208. 0s. 8d.; acceptances,			
£898,096. 8s. 11d.	...	...	2,651,299 9 7
Reserve fund	...	...	214,772 8 7
Rebate account	...	...	6,030 14 3
Profit and loss account, being net profit for the half-year ending			
30th June, 1865	...	...	27,653 17 6
			<hr/> <hr/> £3,834,336 9 11
<i>Cr.</i>			
Cash in hand at Bank of England, and at call	...	...	£445,938 16 8
Investments in Consols and India Stocks	...	...	79,718 15 0
Bills of exchange, loans to customers, &c.	...	...	3,252,471 10 1
Buildings, furniture, bank fittings, &c., in London, South-			
wark, Liverpool, Manchester, and Birkenhead	...	...	47,547 3 6
Preliminary expenses	...	...	8,660 4 8
			<hr/> <hr/> £3,834,336 9 11

PROFIT AND LOSS ACCOUNT.

<i>Dr.</i>			
Current expenses, including salaries, stationery, directors' remuneration, provision for bad debts, &c.	...	...	£32,291 14 1
Interest on current and deposit accounts	...	...	25,688 18 7
Rebate on bills discounted, not yet due	...	...	6,020 14 3
Dividend of 12s. 6d. per share on 30,000 shares, £18,750; ditto 7s. per share on 9,766 shares, £3,418. 2s.	...	...	22,168 2 0
Amount written off preliminary expenses	...	...	1,000 0 0
Balance carried to profit and loss new account	...	...	4,485 15 6
			<hr/>
			£91,655 4 5
<hr/>			
<i>Cr.</i>			
Gross profits for half-year ending 30th June, 1865	...	...	£91,655 4 5

RESERVED FUND.

<i>Dr.</i>			
Balance carried down	...	...	£214,772 8 7
<hr/>			
<i>Cr.</i>			
Balance, 31st December, 1864	...	...	£208,257 8 7
Premium on shares since received	...	...	6,515 0 0
			<hr/>
Balance brought down	...	...	£214,772 8 7

The Chairman, in proposing the adoption of the report, said that the accounts spoke for themselves, and presented such a detailed statement of the affairs of the company, that he did not see he could add anything to what had been laid before the shareholders in the report. He should be happy, however, to answer to the best of his ability, any questions that might be put to him. The directors had elected Mr. Atkinson and Mr. Chaytor to seats at the board. The name of Mr. Atkinson would be submitted to the shareholders that day for confirmation, but in regard to Mr. Chaytor, as he had not held his shares for half a year, it would be necessary to call a formal meeting for a future day in order to confirm his election. At the last meeting the directors were not in a position to declare a dividend, but on this occasion, although for the last six months there was a severe pressure on the commercial world, they were able to give a dividend. It was not so large a one as they desired to give, but it was a step in the right direction, and he hoped it would so far be deemed satisfactory.

Mr. Atkinson seconded the motion.

Mr. Major said that the report was a most laconic one, and the observations of the chairman were still more so. He wished to know what reason the directors had for stating in the report that the "condition of the bank had materially improved since the last half-yearly meeting?"

The Chairman said that last year there was no dividend; this year there was; their bad debts were smaller, and the bank was altogether in a more satisfactory position.

Mr. Major said that at the last meeting it was announced that there were bad debts amounting to £160,000, but Mr. Quilter estimated at that time that the loss would be covered by £61,000, and that probably there would not be a loss of sixpence. He wished to know if that was the fact,

and if so he thought it ought to have been stated to the shareholders. (Hear, hear.) On the contrary, the directors in their report made a second allusion to that matter, and the result of keeping this bugbear before the public was that the shares fell £2. (Hear, hear.)

The Chairman said that it was difficult to get the old accounts speedily closed, as the bulk of the securities to which the paragraph alluded to were abroad. There was no reason for altering the estimate which had been made at the last meeting, and he could assure them that by the next meeting this matter would be brought to a point, and the amount, whatever it was, would be written off.

Mr. Major asked if any money had been received since the last meeting.

The Chairman said that £4,000 had been received out of the £160,000, but they possessed for the remainder the security of a large property in Australia, and the dividend from two valuable estates near London.

Mr. Major asked how much of the sum of £32,290, set down in the accounts for current expenses, directors' remuneration and provision for bad debts, was for bad debts.

The Chairman said that £13,750 was put aside for bad debts, but these bad debts arose from business entered into previous to the last half-year. (Hear, hear.)

Mr. Major wished to know from Mr. Quilter whether it was his opinion now that there would not be a loss of 6d. on the £160,000.

The Chairman said he believed Mr. Quilter was not present. But the property had been carefully estimated, and he did not think there was any reason for altering the opinion which had been given.

Mr. Major—Then why put it into the report? It acted as a bugbear, and people said there must be some speculators behind the scenes.

The Chairman said that it would not appear again in the report. The amount would be written off. One of the securities was that of a Spanish railway. If completed it would be a valuable security, but not otherwise. It was on that security that they got the £4,000.

Mr. Patterson, a director, for whom there were loud calls, said that Mr. Quilter had never stated there would not be a loss of 6d. on the securities for the £160,000. He said that the securities might probably be realised without the loss of a shilling to the company, but that £60,000 would at all events cover the loss. (Hear, hear.) He (Mr. Patterson) stated that he believed the securities in hand were more than double the amount of the debt, and he repeated that statement now. (Hear, hear.) The debt was £160,000, for which they held the security of property in Australia, the prospective dividend from valuable estates near London, and from a railway in Spain. They had taken every step to get a correct estimate of the value of these securities. They had no reason to disparage the value of the Australian security. There was no reason to believe that the securities of the London estate would be depreciated at all. With regard to the value of the security in Spain, on which they had realised £4,000, he was not disposed individually to put a high value upon it. With regard to one of the properties in London, they had been promised a dividend of 10s. in the pound. Diligent inquiry had been made in Australia, but it took six months to send out and receive information from that quarter; their solicitor had been twice in Spain to look after the security there, and in six months' time the amount of loss, whatever it was, would be written off. He did not think he could say any more, and he trusted that what he had said would be deemed satisfactory. (Hear, hear.)

The Chairman, in reply to a shareholder, said that there was a good profit on the four branches of the bank with the exception of that of

which had not paid its expenses. The amount of the debt on estate, on which 10s. in the pound had been promised,

for the adoption of the report was then put, and carried

an then declared a dividend of 12s. 6d. per share on the sh £25 had been paid, and 7s. per share on the shares on share had been paid, being at the rate of 5 per cent. per income-tax. The Chairman also proposed the confirmation of Mr. Atkinson as a member of the Liverpool board. Mr. been 34 years in business, he was a man of great experience, ed would be a valuable accession to the board. (Hear,

n seconded the motion, which was carried.

n, one of the outgoing directors, was unanimously re-elected. e of Mr. Daniell being put for re-election,

s said he wished to say a few words with regard to the re- Daniell. The shareholders were aware that Mr. Thompson, er of the bank, had gone to manage a bank in India, of which s the chairman, and it was reported that Mr. Thompson out of the way lest he should make disclosures which alatable to some of the directors. He understood that had received a larger salary than he could have expected, he might be the creature of the directors. (Oh! oh!) He usation, but stated rumours which had been circulated.

said that the accusation was absolutely and totally incompre- and, and was entirely false. (Hear.) It was idle to suppose that r fifteen gentlemen who acted on that board would have any collusion of the kind indicated with their manager.

With regard to the appointment of Mr. Thompson, who was honourable and an upright man, to the Bank of Hindustan, himself and by other of the directors that in his anxiety e interests of this bank he had not taken sufficient pre- at adverse and difficult times, and that, consequently, the confi- shareholders was temporarily, if not considerably taken from mpson had at the same time written engagements with the position was therefore a difficult one to deal with. Mr. f that he had an opportunity of going to Hindustan if the object, and under these circumstances he went out to India, managing a bank with great discretion. But to think that a scapegoat was quite absurd.

ss said that he felt quite satisfied with the explanations of

s solicitor to the company, bore testimony to the character son, than whom there could not be a more honourable or d man. He had the means of rebutting all the vague landers which had been circulated against Mr. Thompson. a was far too honourable to be made the tool or scapegoat of ear, hear.)

was then re-elected a director, as were the other directors, and Mr. Castellain.

100 for the half-year was voted to each of the auditors; as re-elected auditor for Liverpool; and on the motion of um of £2,500 was voted as a remuneration to the directors ear.

The Chairman proposed a vote of thanks to the manager, Mr. Miller, and the other officers of the bank and its branches, for their services during the half-year. (Hear, hear.) He had no fear as to the future of the Alliance Bank. (Hear, hear.) They had a million of paid-up capital, and if they only minded their own business and paid less attention to outside rumours, he had no doubt they would be able to show good results. (Cheers.)

The motion having been unanimously adopted,

Mr. Miller, on behalf of himself and the other officers of the establishment, returned thanks. It was always gratifying to persons in their position to receive the approbation of the shareholders, but on this occasion it was particularly so, as during the past six months their duties were neither easy nor pleasant. They had devoted their utmost energies to promote the interests of the bank, and the results, he thought, were as favourable as, under the circumstances, could be expected. They would continue to devote the same energies to the bank, and he hoped that year by year its prosperity would increase. (Hear.)

On the motion of Mr. Major, a vote of thanks was passed to the chairman and directors, which terminated the proceedings.

BANK OF LONDON.

THE nineteenth ordinary general meeting of the shareholders of this bank was held on the 21st July, at the London Tavern, Bishopsgate Street, for the purpose of receiving the report of the directors, and for the declaration of a dividend; Sir John Shelley presided.

Mr. C. J. H. Allen, the secretary, having read the advertisement convening the meeting, read the following report:—

“The statement of accounts, which the directors now submit, shows that the balance of profit at the termination of the past half-year amounts to £67,547. 11s. 4d. This result, after providing for current expenses, bad and doubtful debts, and rebate of interest on bills discounted not yet due, enables the directors to declare a dividend at the usual rate of £10 per cent. per annum, and a bonus of £2. 10s. per share, amounting together to 20 per cent. per annum, both free of income-tax. The balance, viz., £2,324. 5s. 2d., is transferred to the reserve fund, which, by such addition, is increased to £302,324. 5s. 2d. The directors retiring upon the present occasion are, John Edmund Anderdon, Esq., Henry Astle, Esq., and Thomas Dakin, Esq., who, being duly qualified, offer themselves for re-election. The dividend and bonus will be payable on and after Wednesday, July 26.”

Liabilities and Assets, June 30, 1865.

<i>Dr.</i>		
Capital paid up, £397,550; amount received on balance of new shares, £2,450	...	£400,000 0 0
Reserve fund, £296,570; reserve premiums on balance on new shares, £3,430.	...	300,000 0 0
Amount due by the bank on current, deposit, and other accounts	...	4,506,164 11 3
Profit and loss account, after payment of £30,499. 18s. 8d. to customers for interest on their balances...	...	66,547 11 4
		<hr/>
		£5,272,712 2 7
		<hr/>

Bank of London.

985

Cr.

Investments, viz.—

in Government securities, India bonds, &c....	£227,666	11	2
Ditto in freehold premises in Threadneedle Street, let at a rental yielding $4\frac{1}{2}$ per cent., £40,000; by freehold premises in the occupation of the bank, £35,000...	75,000	0	0
Bills discounted, loans, &c....	4,207,524	11	11
Cash in hand, and at call	762,520	19	6
	<u>£5,272,712</u>	<u>2</u>	<u>7</u>

PROFIT AND LOSS ACCOUNT FOR THE HALF-YEAR ENDING JUNE 30, 1965.

Dr.

Half a year's current expenses at head office and Charing Cross branch, bad and doubtful debts, directors' remuneration, &c.	£19,990	1	8
Rebate of interest on bills discounted not yet due, carried to profit and loss new account...	4,233	4	11
Dividend for the half-year at the rate of £10 per cent. per annum	20,000	0	0
Bonus at the rate of 10 per cent. per annum, or £2. 10s. per share	20,000	0	0
Balance carried to reserve fund	2,324	5	2
	<u>£66,547</u>	<u>11</u>	<u>4</u>

Cr.

Balance of profit brought from last half-year, £2,505. 4s. 8d.;			
balance for current half-year £64,042. 6s. 8d....	£66,547	11	4
	<u>£66,547</u>	<u>11</u>	<u>4</u>

RESERVE FUND ACCOUNT.

Dr.

To balance	£302,324	5	2
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Cr.

Amount from last half-year £296,570; premiums on balance of new shares, £3,430...	£300,000	0	0
Addition brought down...	2,324	5	2
	<u>£302,324</u>	<u>5</u>	<u>2</u>

The Chairman—Gentlemen, it now becomes my duty to move that the report be received and adopted; and in doing so you will allow me to say that it gives me much pleasure again to meet the shareholders at this half-yearly meeting. The accounts require, I think, but little explanation from me, as they speak for themselves. At our last meeting I stated that the half-year we had then gone through must be considered entirely exceptional, as well as the half-year previous. At that time the rate of money was very high, and trade and business were excessively buoyant. Now, the rate of discount is very low, and things are not in that flourishing and buoyant state we could wish. But I cannot help thinking that we have now got through the wet day, and may look forward to a brighter time. Notwithstanding the difficulties of the period and the numerous failures which have occurred in commercial circles, we are happy to be able to

declare the same rate of dividend as before. (Hear, hear.) This shows, I think, that the business of the bank has been placed upon a sound foundation; and although we, like other banks, may not have made such large profits as we did in the previous year, yet, looking at the state of monetary affairs in general, it is satisfactory to know that the business has been so conducted that, notwithstanding the altered state of affairs, we have gone steadily on, and are able to declare the same amount of dividend. To prove the satisfactory manner in which our business progresses, I have here some figures to which I would call your attention. I find that in the year previous to this we appropriated in dividend and reserve, £82,000. In this year we have paid in the same way, £102,324. In 1861 we paid £15,000 in dividends, or equal to 5 per cent., on a capital of £300,000. We now pay £80,000, which is equal to 20 per cent., upon a capital of £400,000. We have, as you know, now made our capital up to £400,000, and the reserve to £300,000. It may be well also to refer to the profits of each year, as showing how we go steadily on. Deducting the profits brought on each occasion from previous years, the figures stand thus:—For the year ending 30th June, 1860, the profits were £53,843, and the amount paid in dividend was £15,000; for the year ending June 30, 1861, the profit made was £60,603, and the amount paid in dividend £15,000; in 1862 the profits were £70,907, and the amount paid in dividend £21,000; in 1863, the profits were £88,297, and the amount paid in dividend £30,000; in 1864, the profits were £131,183, and we paid in dividends £52,500; and you will see, notwithstanding the unpropitious state of commercial and monetary affairs, that for the year ending 30th June, 1865, we have made a profit of £133,776, and we pay in dividends £70,000. (Cheers.) This statement shows the progressive character of our business, and it must be, I think, satisfactory to every man of business connected with the bank that the increase has been thus gradual and progressive, inasmuch as it affords the best possible proof of the soundness of the basis upon which the institution is founded. Having gone through so satisfactorily the difficult year which has just passed, we have, I think, a right to conclude that we shall continue to progress in the same gratifying manner, and that we shall continue to have, what I have before more than once ventured to prophesy in this room, a business increasing gradually but steadily, which in its result must establish the Bank of London as one of the great financial institutions of the city of London. (Cheers.)

Mr. Frith (deputy-chairman) seconded the motion.

A Shareholder asked to what amount it was intended to carry the reserve fund. He considered that the reserve was now sufficient, and that the whole of the net profits ought to be divided amongst the proprietors.

The Chairman replied that the board proposed to leave the reserve as it was, only placing to its credit any odd sums that might remain over, as in the present case, when the small balance of £2,300 was thus appropriated. If they kept the reserve at £300,000, or any other fixed sum, without alteration, the public were apt to suppose that the whole thing was a myth; but, as he had stated on former occasions, he considered that with a paid-up capital of £400,000, a reserve of £300,000 in round numbers was sufficient to give confidence to the public, and the placing of the £2,300 to it was merely an indication that they intended to alter it merely by the addition of such small balances as might remain over from time to time after payment of the dividend. (Hear, hear.)

The resolution was put and carried unanimously.

The Chairman then declared the dividend at the rate of £10 per cent.

with a bonus of £2. 10s. per share, amounting together to £. per annum, free of income tax, payable on and after the 26th inst.

Directors retiring by rotation, viz., Messrs. J. E. Anderdon, H. Alderman Dakin, were re-elected, and Alderman Dakin returned

Mr. Trell understood that there was a vacancy in the board of directors consequent upon the resignation of Mr. Joyce, and he believed Mr. Allen competent for that meeting to fill it up. ("Hear, hear," Mr. Chairman.) Then he wished to ask whether it was true, as Mr. Allen informed, that Mr. Allen, their able secretary and deputy-secretary, owing to his affairs being in such a prosperous state, the carrying on of his office was no longer an object to him, resigned?

Mr. Allen—Much to my regret, Mr. Allen did state to me and to the directors recently that by-and-bye he proposed to resign the office of secretary, so long and so ably filled in this institution, and that he wished to hold it until it would suit our convenience to release him from his duties.

Mr. Trell would then propose, if it was entirely in accordance with the wishes of the shareholders and of the directors, that Mr. C. J. H. Allen should offer himself for the vacant seat in the direction. (General applause.) He did not make this proposition on personal but on public grounds, in the interest of the shareholders. They all knew that Mr. Allen's services to the bank had been invaluable. He knew that the bank's auditors, and all connected with the establishment would be able to do as well as he could say as to the eminent and valuable services which that gentleman had rendered to the establishment. Mr. Allen had acted successfully with Mr. Marshall, the manager, in promoting the interests of the bank, and the result they saw in the report they had just received. Mr. Allen had happily now attained a position when he felt perfectly suited to him to remain a salaried officer, and therefore he did not intend to resign; but as it would obviously be a disadvantage to the bank if they were deprived altogether of the benefit of Mr. Allen's assistance and advice, considering his great experience and knowledge of the affairs of the institution, he proposed that they should elect him to the vacant seat at the board. He had thought that the directors might feel some difficulty and delicacy in making such a proposal, but he believed they would feel no difficulty whatever in cordially electing Mr. Allen as a colleague if he were elected by the spontaneous vote of the shareholders themselves. (Cheers.) They had precedents for Mr. Allen's position, or nearly so, to the direction in the case of Mr. Gilbert, of the London and Westminster; Mr. Pollard, of the Joint Stock; and Mr. Scrimgeour, of the Union Bank of England. (Cheers.) He moved that Mr. C. J. H. Allen be appointed to the place of Mr. C. Joyce, resigned. (Cheers.)

Mr. Trell seconded the motion. He had belonged to the bank from the first, and held a considerable interest in it, and could speak from personal experience in very many instances to the great value of Mr. Allen's

Mr. Allen—It has been my good fortune, as chairman, to be associated with Mr. Allen from the first, and I can conscientiously say that Mr. Allen had fallen from the mover and the seconder of the motion could possibly have exceeded, the praise that was due to that gentleman for his zeal, his assiduity, his ability, and the value of the advice he was ready to give to the directors. Necessarily, Mr. Allen and

I have been thrown very much together, and I do not remember a single instance in which any difference of opinion has arisen between us. Personally, therefore, and generally, I am glad that this proposition has been made. My only regret is that the intention was not communicated to the directors, and that no opportunity was afforded of the proposal being made through us. The first I heard of the intention to propose Mr. Allen was the circular which I, in common with the shareholders, received yesterday. I shall welcome Mr. Allen most cordially among us as a member of the board, and I know the same feeling animates all my colleagues.

Mr. Scott, in explanation, said he thought the proposition came more appropriately from a shareholder than from the directors, and that was the reason he had not consulted the chairman or the other members of the board.

The resolution was then put and carried unanimously, and by acclamation.

Mr. Allen, in returning thanks, said: I sincerely thank Sir John Shelley, Mr. Scott, and Mr. Tyrrell for the kind things they have said of me, and I feel that I should thank also as warmly the gentlemen who have signed the requisition inviting me to become a candidate for the vacant seat at the board—an invitation which to me was as unexpected as gratifying. Having been associated with the bank from its formation, and identified as I have been with its progress and its prosperity, to be placed in the position of a director under such circumstances is a distinction of which I cannot fail to be proud. Gentlemen, in again thanking you, all I can say further is, that the same attention to the business of the bank, the same zealous regard for your interests which has won for me this mark of your good opinion, shall be given to the faithful discharge of the duties of the office to which you have now been good enough to elect me, and I hope and trust with equal success. (Loud cheers.)

The auditors, Messrs. G. Thomson, G. Bone, and F. Nalder, were re-elected.

Mr. Bone returned thanks, and proposed a cordial vote of thanks to the chairman and directors, which was seconded by Mr. Scott, and carried.

The Chairman briefly acknowledged it, and moved a vote of thanks to Mr. Marshall and the other officers of the establishment.

Mr. Frith seconded this, and it having been carried,

Mr. Marshall, in a few appropriate sentences, expressed, on behalf of himself and the officers generally, their gratification that their services were appreciated, adding his cordial congratulations to Mr. Allen, with whom he had worked so harmoniously hitherto, and who was about to take his seat as a member of the board.

The proceedings then terminated.

METROPOLITAN AND PROVINCIAL BANK, LIMITED.

THE seventh ordinary general meeting of shareholders was held at the London Tavern, on the 20th July; Mr. C. Gilpin, M.P., in the chair.

Mr. J. Pope Cox (the secretary) read the following report:—

“In accordance with the views expressed by the proprietors at the meeting in January last, a change of management was effected in March, and the progress of the business has since been satisfactory; many new and valuable accounts having been secured for the bank. The compensa-

tion of £2,500 paid to Mr. John Burton, the late manager, for the unexpired term of his engagement, has been charged to the reserved fund. The profits for the past six months have been absorbed by losses incurred previously to, but not ascertained at last audit; and the directors regret that no dividend can therefore be paid on this occasion. They have, however, full confidence that a more encouraging result will be exhibited in next account. Mr. Thomas Masters Usborne, of Cork and London, having been appointed a director by the board on the 6th ultimo, such appointment will be submitted for the approval of the proprietors."

Balance-sheet, 30th June, 1865.

LIABILITIES.

Dr.

Proprietors' capital, viz. :—£20 paid on 12,987 shares, £259,740 ;			
£10 paid on 3,796 shares, £37,960 ; £5 paid on 254 shares,			
£1,270—£298,970 ; received account call due 1st ultimo,			
£16,580	£315,550	0	0
Reserve fund	7,500	0	0
Deposits and current accounts, £468,968. 0s. 8d. ; acceptances			
against securities, £44,750. 4s. 6d.	513,718	5	2
Balance of profit and loss account	1,837	3	2
	<u>£838,605</u>	<u>8</u>	<u>4</u>

ASSETS.

Cr.

Cash in hand, at Bank of England, and at call	£121,997	4	7
Consols and debentures, at cost price, £58,191. 5s. ; interest			
accrued on same, £898. 11s. 5d.	59,089	16	5
Bills discounted, loans, and current accounts	587,592	3	5
Stamps	353	15	9
Bank premises (head office and four branches) at cost price ...	11,947	3	8
Preliminary expenses	12,875	0	0
Securities held against acceptances	44,750	4	6
	<u>£838,605</u>	<u>8</u>	<u>4</u>

PROFIT AND LOSS.

Dr.

Current expenses, £7,509. 9s. 8d. ; interest paid,			
£3,674. 4s. 11d. ; bad debts incurred during past half-year,			
£233. 8s. 9d. ; gross charges for past six months	£11,417	3	4
Bad debts incurred prior to the year 1865	6,635	3	1
Proportion of preliminary expenses	925	0	0
Rebate of interest on bills discounted, £1,357. 1s. 3d. ; un-			
appropriated balance of profit and loss, £480. 1s. 11d. ...	1,837	3	2
	<u>£20,834</u>	<u>9</u>	<u>7</u>

Cr.

Balance from last account	£3,073	5	10
Gross receipts for past six months	17,761	3	9
	<u>£20,834</u>	<u>9</u>	<u>7</u>
Balance to next account	<u>£1,837</u>	<u>3</u>	<u>2</u>

rowly into the securities for advances made by the bank, and
ed the accounts till they were prepared to say that they were
sified. (Hear.) The reserve would have remained intact
rrangement with the late manager, which reduced the amount
The bank had an engagement with Mr. Burton for a term of
ears were uncompleted, and it was thought better, rather than
y litigation, that the matter should be referred to the com-
or and a gentleman acting for the late manager. That plan
pted, and the board had every reason to be satisfied with
For the large increase in the value of their premises no
ken in the accounts, but he had not the shadow of a doubt
above the credit taken they might fairly claim assets to the
0,000, if not £15,000, in absolute marketable value. (Hear.)
had had large experience in banking in connexion with one
banks in the country, and was a person whose testimony with
aking securities might be implicitly relied upon, and after
vestigation of the affairs of the bank he was satisfied that it
essentially and really sound position. (Hear, hear.) With
ce-sheet as was then presented, showing an absolute 20s. for
invested, how was it that their shares stood at so low a
ar, hear.) He cared little himself about the market price,
been a dealer in the shares of a company of which he was
at the depreciation in this case was not justifiable by the facts
public in their balance-sheet. (Hear, hear.) It was perfectly
many might think their board not sufficiently strong to
olic confidence. (Cheers.) He was giving no such opinion
had acted with his colleagues heartily from the first, but
he could say that if it were the opinion of the share-
he board could be strengthened or improved in any way, the
e equally conscious of the necessity for such a measure, and
pared to take the initiative if allowed to do so. (Hear, hear.)
ve this, however, as his reason for the depreciation of their
board who, in the face of most hostile circumstances, could
a balance-sheet, who had worked for the last twelve months
thout remuneration, although empowered under the articles
a to appropriate to themselves a considerable amount, cer-
e elements of conducting a bank to success. (Cheers.) That
t only did not despair of, but looked forward to almost as an
ainty. (Cheers.) The past six months had confirmed him in
hat they had a business which might be made great, that they
s which were cheering and encouraging; and, in moving the
he report and accounts, he could not but express his earnest
anticipation that whoever occupied the chair at the meeting
ence would have to present a report which would show that
occupied a position second to none of the new banking estab-
loud cheers.)
n having been seconded,
ty, on the part of several shareholders, wished to ask whether,
rice of shares as any indication of a want of public confidence
as at present constituted, the entire board, or certain members
at in their resignations. He had perfect confidence in the
ed in several of the directors, including the gentleman who
ed the board.
man deferred his reply till after the report had been adopted.
beare observed that the report, though short, could not be

regarded as a very sweet one. Tonics v medicine, and not the least so for ban mismanagement. ("Hear, hear," and report and accounts as on the whole satisf all much indebted to the chairman for his must rejoice to welcome as their manager most successful banks in Great Britain. bank to adopt the system of limited liabili and commanding premises, which alone w to offer terms of amalgamation with them Mr. Carnegie never would have joined t concern the elements of success. (Hear whether any proposals for amalgamation and with his question coupled a warning cheap.

Mr. Galsworthy expressed himself satisf the accounts were presented and the res looking at the item of £12,800 for prelimi to doubt the statement that they had g amount of preliminary expenses was more balance of reserve and increased value of p companies had depreciated in the market a market price was no criterion of the actual

Replying to questions,

The Chairman stated that the increase incurred entirely upon the building at Mac told was worth more than all the outlay u were paying their expenses, but if there w of the directors were not worth keeping o hesitation. (Hear, hear.) Upon the ques not, of course, give any account of propos might say that while on the market their s that they had stood amongst kindred insti had in one shape or another numerous off But he concurred with those who said th (Cheers.) There were, no doubt, too man he was prepared to hold his own, and wou them than go to others. (Loud cheers.)

Mr. Hodges—I am quite willing to mak them to-day, or this day twelve months, mises. (Loud cheers.)

The report was adopted unanimously, and

The Chairman formally moved the co appointment to the board, and mentioned owed their present excellent management question, he did not believe there was o to place his resignation at the disposal of t would benefit the bank. (Cheers.) A nur rily placed in his hands their resignation, b that if the board would work together as th were enabled, as he had no doubt they wou to a certain extent during the next six mor satisfactory to the shareholders. (Cheers.)

Mr. Fogarty seconded the motion.

Mr. Osborne fully concurred with those

of the bank that there should be an entire reconstruction of (Cheers.) It was essential that this should be done in order to have the confidence of the public, and that it should be done in the moderate, judicious, and able manner. The balance-sheet was a congratulation, and the best proof of the value of the new services was to be found in the fact that the bad debts of the bank had only amounted to £230, and even that sum he believed to be more problematical than real. He could not agree with the chairman that the directors of past years they would have made 5 per cent., as the profit had been £17,761, and the expense of earning that profit having only £3,761, but with public confidence and the support of the shareholders their profits would go on increasing, and would not be less than 10 per cent. With such a balance-sheet, and the shares on which had been paid standing at £15, it was clear that the direction of the bank had the confidence of the public, and to facilitate the reconstruction necessary, six members of the board had placed their resignations in the chairman's hands.

Mr. Boyd did not see why a number of gentlemen should be displaced by a comparative stranger.

Mr. Boyd hoped that nothing would be done which could be considered a vote of want of confidence in the directors, who had really managed the bank well, or which would carry reform to the extent of revolution. He questioned the legality of Mr. Osborne's appointment by the shareholders.

Mr. Boyd was anxious that any reconstruction should be left in the hands of the chairman.

Mr. Boyd considered that if it were necessary to add, through the influence of the bank, it would be better to make the reconstruction in quality rather than in quantity. (Hear, hear.)

Mr. Boyd, at the request of Mr. Osborne, read a letter tendering the resignation of six members of the board, including that gentleman, and placing themselves in the hands of the shareholders for re-appointment or otherwise.

Mr. Boyd suggested that the whole of the directors should resign, and that the reconstruction should be left to the shareholders.

Mr. Boyd, in his discussion,

Mr. Boyd, replying to a question, said he believed the board could be re-elected without the shareholders taking the extreme course—and without a balance-sheet—of requiring the resignation of the whole body of directors. His suggestion was, that the board should be left to themselves from time to time as opportunities offered.

Mr. Boyd wished the withdrawal of the resolution confirming his suggestion to be referred to the direction.

Mr. Boyd (the solicitor) gave it as his opinion that Mr. Osborne's resignation, having been made prior to the last meeting, could not be confirmed on the present occasion.

Mr. Boyd moved and Mr. Fogarty seconded a resolution calling on the directors to place their resignations in the hands of the shareholders; the seconder attributing the unsatisfactory position of the bank in the market to the conduct of three of the directors.

Mr. Boyd further proposed, as an amendment, that the strengthening of the position of the board should be left to the chairman and the shareholders themselves.

Mr. Boyd said he had not taken lightly the position of manager. He satisfied himself that the bank was worth 20s. in the pound.

Speaking as a proprietor holding 35 shares, he the resignation of the whole of the board.

The Chairman was taken quite by surprise at the recommendation, and could only say that it was a course which the manager to take such a course. (Cheers, and applause.)

Mr. Nash, as one of the directors who had denied that it was from any fear that he had his retirement would come round at the next then properly come before the shareholders, confidence to re-election. (Cheers.)

Mr. Edwards (another director) was perfectly in accordance with the wish of his colleagues, but could not induce the other men to sign an offer to resign and press upon them to adopt the same course.

A Shareholder recommended that the resignation be taken from the hands of the board, and pointed to the fact that on that occasion as a sufficient explanation of the position of the bank. (Hear, hear.)

Mr. Boyd withdrew his resolution, and the matter was carried unanimously, a result which was greatly appreciated.

Mr. Usborne: I hope it is now thoroughly settled.

The Chairman: Yes.

A vote of thanks passed to the chairman for his able proceedings, which had occupied more than an hour, and which had been wasted in personal and irregular discussion.

ANGLO-EGYPTIAN

AN extraordinary general meeting of this bank was held on the 3rd July, for the purpose of confirming the resolution passed at an extraordinary general meeting on the 3rd June:—

“That clause 32 of the articles of association be amended so that the month of November for the month of January at the ordinary general meetings of the company.”

Mr. G. G. M'Pherson was in the chair. The above special resolution was unanimously carried.

ENGLISH, SCOTTISH, AND AUSTRALIAN

THE following is the report of the directors of the bank at the fourth ordinary meeting on the 31st July:

“The accounts of the bank for the half-year ending on the 31st March, and in London on the 31st June, which are annexed, show a balance of profit of £100,000. Making provision for bad and doubtful debts, and for the loss from failures referred to in the last report, the result of the operation of the bank for the half-year review less favourable than had been anticipated.”

however, to regard as exceptional the present reduction in the amount available for distribution, and have confidence in the expectation that the future profits of the bank will admit of an increased dividend being maintained. They therefore recommend that out of the balance of £22,538. 17s. 7d., a dividend be paid at the rate of seven per cent. per annum, free of income tax, on £600,000, the paid-up capital of the bank, which will require £21,000; that the premises and furniture accounts be reduced by £1,000, and that £538. 17s. 7d. be brought forward to the current half-year."

LIABILITIES.

Dr.

Paid-up capital	...	...	...	...	...	...	...	£600,000	0	0
Deposits	...	...	...	...	...	...	...	837,094	10	7
Bills payable and other liabilities	...	...	...	...	...	...	...	135,726	10	10
Circulation	...	...	...	...	...	...	...	97,432	0	0
Reserve fund	...	...	...	...	...	...	...	50,000	0	0
Amount carried to profit and loss account	...	...	...	...	...	...	...	34,371	6	11
									£1,754,624	8 4

ASSETS.

Cr.

Bills receivable (including the estimated value of those overdue), loans on security, cash at bankers, &c.	...	...	...	...	...	...	...	£1,584,488	16	8
Specie and bullion	...	...	...	...	...	...	...	163,744	6	4
Bank premises and furniture	...	...	...	...	...	...	...	56,441	5	4
									£1,754,624	8 4

PROFIT AND LOSS ACCOUNT.

Current expenses in Melbourne, Sydney, Adelaide, and sub-branches	...	...	...	...	...	...	...	£9,097	18	0
Do. in London, including directors' remuneration and income tax	...	...	...	...	...	...	...	2,734	11	4
									£11,832	9 4
Balance	...	...	...	...	...	...	...	22,538	17	7
									£34,371	6 11
By amount brought down	...	...	...	...	...	...	...	£34,371	6	11
									£34,371	6 11

CLYDESDALE BANKING COMPANY.

The following is the report presented to the twenty-seventh annual general meeting of the partners, held at the bank in Glasgow, on the 12th July:—

"In terms of the contract of copartnery, the directors have now to submit to the partners the annual statement of the affairs of the bank for the year ending 14th June last. The period in question has been one of more than usual anxiety in banking affairs, arising from the great fluctuations in the value of money, as well as of goods and produce, and the

mercantile failures consequent thereon. for the last three months has been low, has exceeded that of late years, and the p satisfactory. After making ample allowance the balance of profit and loss account for the year the balance brought forward from the previous year together £121,658. 12s. 7d., which is now Representations have been made to the directors the contract for the annual balance of the second Wednesday of June, is inconvenient would be desirable if the balance day were December, a period when many of the correspondents of the bank close their accounts views, and a motion to carry the change alterations in the contract, will now be submitted this motion be approved of, it will be necessary to call a special meeting of the partners, a motion, and a meeting for the purpose was Wednesday, the 16th day of August next change in the balance day being adopted the directors time recommend that out of the last year's dividend, at the same rate as last year's dividend and amounting to £40,500, be paid to the shareholders of income tax), on Wednesday, 2nd August, added to the reserved surplus fund, £235,000, and £5,000 written off the cost of the balance of £61,158. 12s. 7d. shall be carried forward which shall accrue between 14th June and 14th July at the disposal of the partners, at the meeting of the 7th February, 1866, when a whole year's report the directors had occasion in last year's report their colleagues: they have now to lament the loss of Mr. Esq., one of the ordinary directors, and also the fact that was last year elected an extraordinary director. The gentlemen had long been associated in the bank, and the directors take this opportunity of acknowledging their services. The directors appointed James Hastie to fill the vacancy occasioned by Mr. Hastie's death. At the present time, along with Mr. John Mitchell, who's term expired. The board unanimously recommended Mr. engineer, and Arch. G. Kidston, Esq., merchant, as ordinary directors, in room of Mr. Merry and

Abstract of Annual Balance-sheet

LIABILITIES.				
Capital of the Bank, £1,000,000; unissued shares	...	...	...	...
Reserved Surplus Fund	...	...	...	...
Circulation	...	...	...	...
Deposits	...	...	...	...
Acceptances on accounts of customers, against the bank	...	...	...	...
Surplus	...	...	...	...

ASSETS.

Bills discounted, head office and branches	...	...	...	£3,246,545	3	4
Credit accounts, head office and branches	...	...	...	1,115,554	5	8
Bank buildings, including new buildings at Leith, Anstruther, Falkirk, and Tobermory	...	...	...	98,309	5	6
Balances due by other banks	...	...	...	37,552	17	3
Investments in Consols and other securities, and short loans on stock, £995,641. 17s. 4d.; gold and silver coin and notes of other banks on hand, and cash balances with London bankers, £773,437. 5s.	...	...	...	£1,769,079	2	4
				<u>£6,267,040</u>	<u>14</u>	<u>1</u>

The report was adopted, and the dividend therein recommended agreed to.

BANK OF OTAGO.

THE second ordinary general meeting of shareholders of this bank was held on the 24th July, at the London Tavern, Bishopsgate Street; Alexander Morrison, Esq., in the chair.

The following report was read:—

“The directors, in submitting to the shareholders the annexed statement of accounts for the year ending 31st March last, have the pleasure to announce that the hopes expressed in their circular of the 5th January last have been realized. The bank has received numerous offers of business, a portion only of which, however, it was deemed proper to accept, and the directors are happy to state that the business is in a very satisfactory position, there being every prospect of a continuance of its increase from the growing confidence of the public. A branch has been established at Queenstown, which is the centre of a promising gold field, and it is hoped that this step will be attended with advantageous results. The shareholders are already aware of the large amount of the capital locked up in advances to the Southland Provincial Government upon their debentures. The agent of that Government is in London, and the directors are empowered to offer the debentures at such a price as will ensure a sale; but it has not been considered advisable to bring them forward at present, because there is now good reason to believe that their value will soon be enhanced by the guarantee of the general Government of New Zealand. Unfortunately for the bank, the crisis so long prevailing in the money market in London during 1864, rendered it necessary to pay a high rate of interest for the advances absolutely required here in consequence of that loan; and this accounts for the heavy item of £6,145. 5s. 11d. paid for interest, as stated in the accounts now presented. The gross profits for the year, after allowing for bad and doubtful debts, amount to £29,490. 4s. 8d., from which it is necessary to deduct £1,080. 0s. 10d., the balance carried from last account; £13,623. 3s. for the expenses of management in London and New Zealand; and £6,145. 5s. 11d. for interest paid for money during the high rates ruling in 1864, leaving a net profit of £8,641. 7s. 11d., which the directors recommend shall be appropriated as follows, viz.:—£500 in reduction of preliminary expenses, £600 in payment of travelling expenses to New Zealand, and £7,334. 15s. 11d. towards a dividend at the rate of 5 per cent. on the capital called up to 31st December last, free of income tax, and that the remainder, £206. 12s., be carried forward to profit and loss new account.”

Balance-sheet to 31st Ma

Dr.

Capital, 25,000 shares, £20 each, £500,000; £7
 23,853 shares, £166,971; less calls in arre
 £152,062; calls in advance, £1,510 ...
 Deposits, notes in circulation, and other liabilities ...
 Balance of profit and loss account ...

Cr.

Cash on hand and at bankers ...
 Bills receivable and all other advances ...
 Bank premises, furniture, &c. ...
 Preliminary expenses ...
 Travelling expenses of officers to New Zealand ...

PROFIT AND LOSS ACCOUNT

Balance from last account ...
 Charges at head office and five branches ...
 Interest paid for special loans in London ...
 Balance carried down ...

Gross profits after allowing for bad and doubtful

Balance brought down ...

The Chairman then said, in moving the address of thanks, that he did not have to trouble the meeting with more than a few words. The bank was established at Dunedin in December, 1862, and they had 400 current and deposit accounts. Since its establishment, and their aggregate customers had increased, and the interval the bank had passed through a crisis was again. The manager of the bank, Mr. Bathurst, had been influential in the provinces, which could not be said of the bank. From the careful way in which the bank was managed, and the wishes and views of the directors, they had to expect that the bank would be a remuneration to the position of the province of Otago, he mentioned the figures extracted from the latest return he had received from the exports of the province for the year 1863 were £3,424,349. The debt of the province was £1,469,794. The total revenue for the year £469,794. The province was 23,000 square miles, and the province was far from being at perfect peace. The natives there were sent to him as only 150 in number, but which was certainly an excessive estimate. He thought nothing could interfere with the progress of the province, and with it the progress of the bank.

any question that might be put to him, and would conclude the adoption of the report. Mr. Elder seconded the motion. In reply to shareholders, in the course of a conversation, he said, the £6,145 paid for interest was for loans in London at rates were very high, but any loans required by the bank obtained on very much more advantageous terms, being about the same as the bank rate. It was not thought necessary to state what charges had been incurred in London and what in New Zealand. He might state that every care was taken to keep down the interest to the lowest possible figure. As an instance of the anxiety of the directors on that subject, he might state that, although they had now been in business two years, they had not taken a farthing of remuneration for their services, when the bank was in a position to pay this dividend, when they had been paid £1,600 for their services, which had been considerable, and they had given a personal guarantee for a large amount during the year 1864. The sum due by the Southland government was £100,000, of which £53,000 was secured by debentures for £110,000, secured by 68,000 acres of first-class land, and the balance due out of the ordinary revenue of the province, the agreement with the government being, that if the latter was not paid at the end of the year, debentures were to be given, to be repaid by the proceeds of land sales. The directors at present held by the bank had not yet been advertised.

The resolution was then adopted. The directors then moved a resolution to the effect that a dividend of 5 per cent. be declared, payable on and after the 1st of August, and in doing so, he referred to the loan to the Southland government, the facts of which were these:—The Southland authorities undertook the making of roads and railways, and at the time a crisis occurred, and the government could not pay its debts. They handed the bank over a certain number of debentures, the remainder standing as a book debt, and the balance of the loan of the government which the chairman had described as the loan for that and its other debts. It was understood a proposal was made of being made that the general government should guarantee the loan, and there was no doubt it would be acceded to, and he had no doubt that they would get cash from the Southland government. The directors raised the bulk of the money on their own credit, and at a time last year that they had paid the high rates of interest. The government originally agreed to pay 7 per cent., that was what they now paid 9, and would probably pay more if they did not do so. The position of the bank was improving every day, and by the time of the next meeting all cause of anxiety would be removed, and that the directors would be in a position to declare a larger dividend.

Mr. Elder seconded the resolution, and it was carried unanimously.

D. Thomson moved the re-appointment of Messrs. South, C. H. Robinson as auditors, and that their remuneration for the year should be thirty guineas each. In moving the resolution he expressed great confidence in the future of this bank.

Mr. Ewan seconded the motion, and, as an old colonist, assured the proprietors that there was indeed a bright future for the bank. The bank was progressing most favourably in every respect, and the directors assured him that Mr. Bathgate, their manager, was most

highly appreciated in Otago, and that by making a fine business for the bank.

The resolution was put and carried unani-

Mr. J. B. Robinson moved a vote of directors for the able manner in which they the bank.

Mr. Hewat and Mr. Bury rose together, which was carried by acclamation.

The Chairman thanked the proprietors for and the proceedings terminated.

NORTH AND SOUTH WALES

THE following is the report presented to the South Wales Bank, at their twenty-ninth annual meeting of the Liverpool Law Association, Liverpool, Ravenscroft in the chair :—

"In accordance with the recommendation at last annual meeting, and approved by the shareholders (pro rata) at a premium of whole of the instalments payable thereon, the paid-up capital of the bank has thus been added to the reserve fund to £150,000. During the year the minimum rate of discount at the Bank of England was 3 per cent., and some of the leading banks have experienced great vicissitudes. Heavy losses have been sustained in Liverpool and elsewhere, but the directors have endeavoured to enable the bank to escape them. The dividend of 10 per cent. per annum for that year, and they have declared a similar dividend and bonus for the year, however, they consider that it will be prudent to declare a bonus only once in every year, namely, at the date the financial year of the bank closes, and the directors have usually been meeting of the proprietors likewise would be the case of the bank for the year ended 30th June, 1864, £6,504. 3s. 6d. from last account, after deduction of interest on bills, salaries, and all other expenses, making full provision for losses, amounted to £13,698. 4s. 11d.; half-year ended 30th June, 1865, £14,700. 10s. 6d.; income tax paid thereon, £575. 18s. 6d.; balance of salaries of officers, as voted at last annual meeting, £30,313. 8s. 6d.; leaving £41,130. 19s. 8d., of which 10 per cent. per annum, free of income tax, has been set aside for the half-year ended 31st December, 1864, £14,700. 10s. 6d.; the half-year ended 30th June, 1865, £14,700. 10s. 6d. thereon, £575. 18s. 6d.—£28,982. 14s.; leaving £11,848. 5s. 6d. which the directors propose to carry forward."

directors have again to report that the large increase in the business of the bank, both in Liverpool and at the branches, during the last two years, is still continuous. The work thus thrown upon the general manager, Mr. Rae, has become excessive. With the view of relieving him from a portion of the detail of the business, and at the same time retaining his most valuable services, the directors propose, with the sanction of the shareholders, to appoint him managing director, with efficient heads of departments immediately under him. The directors who go out by rotation are Mr. Joseph Betteley and Mr. Edward Thompson. Mr. Betteley retires from the board in consequence of declining health, and carries with him the sincere respect and esteem of his colleagues. The directors recommend that Mr. Rae be appointed a director in succession to Mr. Betteley. Mr. Thompson is eligible for re-election, and offers himself accordingly. The directors have again to remind the shareholders that by individually exercising their influence they can greatly assist the directors and managers in extending the business and promoting the interests of the bank."

The Chairman moved that the report be adopted, printed, and circulated amongst the proprietors, which was seconded by Mr. John Bigham, and carried unanimously.

The motions after-mentioned were then made and carried unanimously:—

Moved by the Chairman, and seconded by Mr. H. K. Aspinall—"That Mr. George Rae be appointed a director of the bank, to act during his term of office as managing director, at a salary of £1,500 a year."

Moved by Mr. H. K. Aspinall, and seconded by Mr. Edward Thompson—"That the sum of £1,000 be presented to Mr. Rae in recognition of the services rendered by him to the bank as general manager."

Moved by Mr. Thomas Ridley, and seconded by Mr. Richard Nicholson—"That Mr. Edward Thompson be re-elected a director of this bank."

Moved by Mr. W. J. Griffith, and seconded by Mr. Thomas Fisher—"That the sum of £1,000 be placed at the disposal of the directors, as a remuneration for their services during the ensuing year, and that an additional sum of £900 be paid to the daily committee."

On the motion of Mr. William Hind, a vote of thanks to the chairman was carried unanimously.

SHEFFIELD AND HALLAMSHIRE BANK.

THE twenty-ninth annual general meeting of the shareholders of this bank was held in the Outlers' Hall, Sheffield, on the 21st July; John Bower Brown, Esq., in the chair.

The following report was read:—

"Your directors have pleasure in stating that both the business of the bank and its profits during the past year have been larger than those of any year since the bank was formed in 1836. After payment of all the expenses of the bank, and making suitable allowances for doubtful accounts, the net profits are £25,950. 3s. 8d. Out of this sum the following amounts have been appropriated, viz.:—£9,147. 10s. for the dividend, after the rate of 10 per cent. per annum for the half-year ending 31st December last; £421. 9s. 7d. for income-tax; and £1,298. 7s. for bad debts, leaving a balance of £15,082. 17s. 1d. unappropriated. Your directors now declare a dividend after the rate of 10 per cent. per annum for the half-year ending 30th June last, amounting to £9,160,

together with a bonus of $2\frac{1}{2}$ per cent., amount to £1,342. 17s. 6d. The foregoing may be summarised thus:

Income-tax	...	...	...	...
Bad debts	...	...	...	...
Dividend for half-year ending 31st December	...	...	...	...
paid	...	...	...	...
Ditto	ditto	...	30th June last,	...
Bonus $2\frac{1}{2}$ per cent.	...	...	...	...
Added to surplus fund	...	...	...	...
Total	...	...	...	...

"The dividend and bonus now declared were £1,342. 17s. 6d. in addition to the dividend for income-tax, on or after 25th July in the year 1864, issued to customers during the past year. The premium on the surplus fund capital by the sum of £250. The premium on the surplus fund to £100, have been added to surplus fund. During the past year the sum of £104. 15s. 6d. of the surplus fund debts previously written off as bad. This added to the surplus fund.

Surplus fund on 30th June, 1864, was	...
Added this year premiums on ten shares	...
Ditto debts written off and since recovered	...
Ditto balance of this year's profit	...

Present amount of surplus fund

"The shareholders will observe with satisfaction that the surplus fund, which has been called upon for a long period of cheap money, have been replenished during the previous year, with a considerable addition to the surplus fund, now larger than at any former period.

"Your capital account stands thus:—

7,328 shares £25, paid up, amount to	...
Surplus fund, as above	...

Thus making a total working capital of £187,000.

Comparing the capital and resources of the bank with those of other banks, we have solid grounds for congratulation on a state of affairs rarely surpassed by any bank, and this, too, in the face of a dividend as 10 per cent., which is ordinarily considered a high dividend. I think it right to remind you that a large proportion of the surplus fund this year was made during the first half of the year, when it was high. They need scarcely suggest to you that you should expect bonuses, when the special causes of the present state of the money market is one of the causes which is considered that the Hallamshire Bank has a large surplus in its profits, the result of the past year's operations. I have by you with satisfaction, as it is so viewed by the shareholders, have been informed by circular that on the

Wm. Waterfall resigned the situation of manager of the Sheffield and Hallamshire Bank, and that Mr. Albert Holdsworth was appointed to fill that position. As far as it is possible to be accomplished your directors endeavour to make their direction a substantiality, and not a mere name, by carefully supervising the movements of the bank, and yet leaving ample scope for the free action of the executive officers of the bank. To combine these satisfactorily, so as to produce the best results for your interest, is the constant and untiring effort of your directors. Your directors feel it to be both a duty and a pleasure to express their satisfaction with the marked ability, zeal, and industry which Mr. Holdsworth has displayed since his appointment as manager. Following the plan which all experience shows to be best for inspiring emulation and zeal in any staff of officers (the requisite talents and conduct being present), your directors filled up the situations of sub-manager and third officer by appointing Mr. Henry Jollie Wells to the former and Mr. Samuel Smith to the latter position, both old and trusted officers of your bank. The steady and harmonious action of the bank through all its officers has given entire satisfaction to your directors. Viewing the past year as an exceptional one in regard to profits, your directors have deemed it proper to present to all the officers of the bank a gratuity of 10 per cent. on their respective salaries. This gift, as growing out of a year of exceptional profits, will be considerably viewed as exceptional. Francis Bookby Appleby, Esq., of Renishaw, retires from the board, his term of office having expired, and the directors nominate William Cockayne, Esq., of Thorpe House, Norton Lees, gentleman, as incoming director. As usual, the balance sheet has been carefully audited by all your directors and found correct, and everything connected with your books is most satisfactory. In conclusion your directors congratulate you on the growing strength, importance, and prosperity of your bank. From its ample resources your directors are prepared to meet all the legitimate demands of commerce, and to support especially, as far as prudence will permit, their numerous clients."

General Balance, 30th June, 1865.

LIABILITIES.

Paid-up capital of £25 per share on 7,328 shares	...	...	£183,200	0	0
Surplus fund	...	...	48,253	6	5
Due by the bank on current accounts, deposit receipts (including interest to this day), notes in circulation, and interest on bills in the bank	...	...	373,190	4	0
Dividend for the half-year, after the rate of 10 per cent. per annum, on paid-up capital of £183,200	...	...	9,160	0	0
Bonus at the rate of 12s. 6d. per share on 7,328 shares, being 2½ per cent. per annum, on the paid-up capital	...	...	4,580	0	0
			£618,313	10	5

ASSETS.

Cash in the bank, bills discounted, balances owing by customers, and other securities	...	...	£618,383	10	5
Bank premises and furniture	...	...	5,000	0	0
			£618,383	10	5

*Profit and Loss Account, 30th June 1904**Dr.*

Dividend for the half-year ending 31st December					
rate of 10 per cent. per annum on £182,950					
Dividend for the half-year ending 30th June,					
rate, on £183,200 paid-up capital	...	...	...	...	...
Bonus at the rate of 12s. 6d. per share on 7,350					
2½ per cent. per annum on the paid-up capital	...	...	...	...	...
Income-tax	...	...	...	...	...
Transfer to bad debts account	...	...	...	...	...
Balance carried down	...	...	...	...	...

Cr.

Balance of unappropriated profits, 30th June, 1903					
Amount of profits after payment of expenses					
Premiums received on shares allotted	...	...	...	...	...
Debts written off as bad and since recovered	...	...	...	...	...

By balance of unappropriated profits brought forward

The following resolutions were unanimously adopted:

"That the report and statement of the directors for the year ending 30th June, 1904, which have been read, be approved and the same be printed, and a copy thereof sent to the shareholders."

"That William Cockayne, Esq., of Thorpe, Lincolnshire, be elected a director in the place of F. J. Renishaw, who this day retires from office."

"That the thanks of this meeting be given to the directors for their valuable services; and that the sum of £500 be paid to them from the funds of the company."

"That the thanks of this meeting be given to the other officers of the bank, for the able and efficient manner in which they have discharged their duties."

"That the thanks of this meeting be given to the auditors."

NATIONAL DISCOUNT COMPANY

THE usual half-yearly or extraordinary general meeting of the company was held on the 26th July, at the London Hotel, London, W., in the chair.

The Secretary (Mr. R. Price) read the following resolutions:

"The directors, in presenting the annexed statement of the half-year ending 30th June last, feel assured that the shareholders will participate in the pleasure they have in the evidence of the steady progress of the business of the company. The profits for the last half-year have amounted to £36,500, deducting the current expenditure, directors' salaries, and other charges, writing off, in their entirety, all bad and doubtful debts, and a rebate of interest on bills not yet due £36,500."

sum of £65,339. 0s. 1d., which, with the addition of the balance brought forward from the 31st December last, will then amount to £70,092. 0s. 5d. These satisfactory results will enable the directors, after appropriating £60,000 to the payment of a dividend at the rate of twenty per cent. per annum, free of income-tax, to carry forward to the next half-year's profit and loss account the sum of £10,092. 0s. 5d. The dividend will be payable on and after the 1st of August.

Balance-sheet, June 30, 1865.

<i>Dr.</i>			
Capital—viz., 120,000 shares of £25 each, £5 per share paid ...	£600,000	0	0
Reserve fund... ..	300,000	0	0
Liabilities on deposits, loans, &c.	6,136,632	5	11
Amount under acceptance	"	"	"
Premises redemption fund	789	16	4
Amount at credit at profit and loss account, as shown on statement B	70,092	0	5
	<u>£7,107,514</u>	<u>2</u>	<u>8</u>

<i>Cr.</i>			
Cash, Government, and other securities	£483,962	8	0
Loans at call and short date	431,592	10	10
Bills discounted, not yet due	6,147,716	0	11
Premises	44,243	2	11
	<u>£7,107,514</u>	<u>2</u>	<u>8</u>

Profit and Loss Account for the half-year ending 30th June, 1865.

<i>Dr.</i>			
Current expenses, including rent, taxes, income-tax, salaries, and all other charges	£6,822	7	8
Directors' and auditors' remuneration	1,650	0	0
Amount reserved to meet bad debts	2,363	5	11
Rebate of interest on bills not due, carried to new account	36,571	1	1
Dividend at the rate of twenty per cent. per annum £60,000, balance carried forward to profit and loss new account £10,092 0s. 5d.	70,092	0	5
	<u>£117,498</u>	<u>15</u>	<u>1</u>

<i>Cr.</i>			
Balance brought forward from 31st December, 1864	£4,753	0	4
Gross profits during the half-year	112,745	14	9
	<u>£117,498</u>	<u>15</u>	<u>1</u>

The Chairman said—Gentlemen, in moving that this report, together with the accounts, be received and adopted, I am happy to say I shall not have occasion to trespass any length of time upon your attention, and it is perhaps the best proof of the highly satisfactory position the company occupies that I shall have to use very few words in asking your assent to this resolution. The report speaks for itself, and I think a more satisfactory statement could scarcely be laid before you. (Hear, hear.) And I assure you it makes us, your directors, particularly proud that we are the

body to which you have entrusted the management has been attended with such successful results. We proceed as you have hitherto done to insure a continuance. We have gone through in the past six months a period, when large houses, one after another, influential and well-established concerns were obliged to have, however, passed through the crisis unscathed. The amount of bad debts made during the half-year, considering the business done, is so small in proportion to the business done, that it is almost naming. (Hear, hear.) I trust, gentlemen, you will have that confidence which you have hitherto reposed in the management we have, we shall be able to produce a good report, and, at all events, I hope to do so now. (Cheers.)

Mr. Chaytor, deputy-chairman, seconded the motion.

Mr. S. Barber, after personally congratulating the directors on their re-election for Limerick, congratulated the directors upon the flourishing state of affairs of the company, a well-managed concern. (Hear, hear.) Alluding to the period of peril the company had passed through, considering the risk of such a time and the almost world-wide reputation which had succeeded, it would have been surprising if the directors had been able to have an amount of bad debts, or at least that they had been as torily as before; but it appeared that they had been able to do nothing by bad debts, but that they had made good. The profit realised was larger than during the previous year (hear)—and that after paying the splendid dividend they carried forward a larger balance to the credit. When he commenced the last half-year's account with the directors, rumours of negotiations for an amalgamation of the concern, but no positive information on the subject, he thought, however, if any such negotiations had been going on with the firm that had just come out in the shape of a new company, they might now rest perfectly satisfied with the result. (Hear, hear.) Considering the large amount of that concern, while this company had no item of that account under that head, the only item of original capital in the balance-sheet being £40,000 for premises and preliminary expenses, he thought the directors had done very well enough alone. He could only say that he wished the result as satisfactory as his investment in the National Discount Company. (Cheers.)

Mr. Slater inquired, had the directors considered it advisable, having regard to the competition they were surrounded, to make a further issue of capital, their business, and place the company in a position to meet the respect?

Mr. Chaytor replied that the subject had been discussed during the chairman's absence. At the instance of the directors did consider whether it would be advisable to issue a second to none, as Mr. Slater said, in respect of credit already second to none in point of credit; but it was not the capital they would be placing a burden round the shoulders of the holders. To pay an equal dividend upon the last

require a considerable increase of business, which the directors did not see their way to obtaining at once, and they therefore decided that it was better to wait until such an increase arose as would justify it before calling upon the shareholders for more capital. At present he believed they had as much business as they would have if they had a larger capital, without the burden of paying the dividend upon a larger capital out of the same amount of profit.

The resolution adopting the report was then put and carried unanimously.

The Chairman moved a resolution that a dividend be declared on the paid-up capital of £600,000 at the rate of 20 per cent. per annum, free of income-tax, payable on and after 1st August; and that the balance (£10,092. 0s. 5d.) be carried to the credit of profit and loss new account.

Mr. Harrison Watson urged that when the capital was increased by the issue of new shares at £5 premium, it was stated by the chairman that when the £600,000 was paid up and the reserve fund was established at £300,000, the full profits should be divided amongst the shareholders without any deduction; he therefore moved as an amendment that instead of carrying over £10,000 to the new account, the dividend should be at the rate of 11s. 8d. a share, which would leave a balance of £92 to carry over.

The Chairman reminded Mr. Watson that this was only an ad interim dividend, and that it would be better to leave the matter to the end of the year, and to settle at the annual meeting in January what should be done with the balance.

The amendment was not seconded; and Mr. Watson having expressed his concurrence in the chairman's view, the resolution declaring the dividend was agreed to unanimously.

Mr. L. Simpson, in proposing a vote of thanks to the chairman and directors, eulogised their vigilance and successful management during the critical period just passed through, and suggested that, instead of the mere formal and barren vote of thanks, the shareholders should mark their appreciation of the directors' services by voting them £5,000 instead of the usual £3,000. He observed that, in the new company which had been referred to, the directors received £500 a year each; and if they were as successful as this company, the management would, under the arrangement, receive a fabulous sum, something like £30,000 a year, he believed.

Mr. Watson would have much pleasure in seconding the proposition.

Mr. Slater, while expressing a general concurrence with the proposal, suggested that it should be brought forward in a more regular course, after notice given.

The Chairman, in expressing the acknowledgments of himself and his colleagues for the compliment, and especially for the good feeling which had prompted the suggestion which accompanied it, stated his concurrence with the last speaker, that it would be more regular to leave the matter of increasing the directors' remuneration until the annual meeting.

Mr. Simpson thought there was so much propriety in Mr. Slater's recommendation that he at once adopted it, and gave notice of moving the £2,000 increase at the next meeting.

The Chairman had a duty to perform, which was especially pleasing to him, to move that the thanks of the shareholders be given to the manager, Mr. Webber, for the very efficient and able manner in which he had conducted the very responsible duties that had fallen upon him during the past half-year. The mental anxiety which must have fallen upon that gentleman during the period referred to was far greater than he (the chairman) could describe. Dealing as he had to do with such large sums of

money, and having to judge on the instant of the company and at the same time fair to the public, the difficulties were greater than could be readily overcome. He so carried out his duties that not only had the bank but had realised a profit which gave to the shareholders (Hear.)

The motion having been carried,

Mr. L. Simpson proposed a vote of thanks to the manager; Mr. R. Price, the secretary; and the motion was unanimously carried; and after a brief acknowledgment the proceedings terminated.

UNION BANK OF IRELAND

THE fifth general meeting of this bank was held at the London Tavern; Mr. E. W. Wingrove, the

The Secretary read the report, from which it appeared that the profits of the bank for the half-year were £1,972. 19s. 3d., and from this sum there had to be added £1,972. 19s. 3d., from the last account: making a total of £3,944. 18s. 6d. amount had to be deducted for expenses of £6,850. 17s. 2d. for interest on current account, so that there remained a balance of £4,111. 1s. 4d. proposed to carry to the new account.

The result of the half-year had not realised what they attributed the check in the progress of the business, which they believed had already been assured that as the establishment was placed in the future contained abundant promises of its success.

The Chairman, in moving the adoption of the report, stated that the result of their operations during the half-year was as satisfactory as they had anticipated. But he was able to show that that disappointment had arisen, and that the directors had no control, and from exceptional causes, which they hoped would not again occur. One of the greatest sources of interest which had ruled throughout the half-year was the banking operations very unremunerative. Banks also had more or less suffered. As the Chairman, in their want of success, he should particularly mention a distillery firm in Limerick early in the year, which had given rise to a number of very exaggerated reports, which had been very injurious to the bank itself. He stated that they were thus likely to incur a loss of £50,000; but the shareholders would be glad to hear that in reality reach any considerable amount. The bank had an overdraft of £10,706; but the bank had a reserve of £8,600; leaving a balance of £2,106 upon which debt itself a dividend would be paid. The bills held by the bank for the firm to the amount of £10,000 had been reported as bad. The result of the half-year losses by the bank which had been so severely operated very prejudicially, and had compelled the bank to stand hand for several weeks, for the purpose of meeting the demand for sum of money which might otherwise have been available.

That mode of proceeding, he believed, was perfectly judicious under the circumstances, and would tend to strengthen their credit by showing that money was safe in their hands. There had been a falling off in their deposits during the last six months, and that circumstance had given rise to some unfavourable comments among their shareholders in Ireland. But he was glad to be able to state that the actual diminution in their deposits in Ireland had amounted to only £2,000 during the half-year, and that diminution had taken place in the spring time, when farmers usually withdrew their capital from banks for the purpose of carrying on their agricultural operations. It was true that the falling off in their deposits in London had amounted to about £40,000; but that money had been withdrawn in the ordinary course of business, and not from any want of confidence in the bank. He was glad to be able to add that since the accounts had been made up the deposits in Ireland had increased, and that they were at present larger than they had been in the month of April last. He should further observe that during the same half-year there had been a general falling off of deposits in the London banks, and in one large establishment the diminution had amounted to not less than £1,500,000. The directors would that day have to ask the shareholders to confirm the election of certain gentlemen as members of the board. They had always expressed their desire to have associated with them men of position and influence in Ireland, and the gentlemen whose names were then to be submitted to the meeting would perfectly fulfil that condition. (Hear, hear.) The number of Irish shareholders in the bank had considerably increased since last December. They at that time amounted to 248, and they were at present 308, thus showing an increase of 60; and that fact afforded a welcome proof that they were commanding increased confidence among capitalists in Ireland. He believed that the future contained for them brighter promises of success than the past. The prospects of the harvest in Ireland were very encouraging; and he confidently hoped that the directors would meet the shareholders under more prosperous circumstances at the close of another half-year. With these explanations he begged leave to move the adoption of the report. (Hear, hear.)

Mr. J. Q. Henriques seconded the motion.

Mr. Huggins drew attention to the comparatively small amount of the paid-up capital, and expressed his opinion that a paid-up capital of £220,000 was not sufficient. He should prefer the capital being raised to £500,000.

Colonel Western thought the remarks of the hon. proprietor originated in a fallacy. It was not the paid-up capital the bank made its money on, but the sums placed in it by the depositors and customers. The capital was ample for the business they did, and to increase it would only cast upon the directors the necessity of devoting a large sum in the payment of even a small dividend.

Mr. Straker inquired whether there was any particular reason assigned for the resignation of two of the directors, Mr. J. B. Elin and Mr. L. Fraser.

The Chairman, in reply, said that at present the amount of capital in the hands of the board was quite sufficient to carry on their business. If their transactions largely increased, and it was found necessary to establish a branch in London, the question of calling up more capital might come before them very properly, but at the present moment the board were decidedly of opinion that it was not advisable to make a further call. (Hear, hear.) With respect to the resignation of two directors, he could only say

that Mr. Elin, whose great commercial skill and influence had been of much service to the bank, had been obliged to retire from illness, which had prevented him from attending to any business for some months; and Mr. Fraser had resigned because he found himself unable to attend the very frequent meetings of the board.

In reply to a question from a Shareholder,

The Chairman stated that the bank would not lose a farthing by its transactions with Mr. Morrison, and that the total loss on the Hall estate eighteen months ago was £800, which had all been written off in former accounts.

A shareholder inquired whether the directors were satisfied with the business done at the branches.

The Chairman replied that the branches were young at present, and the board were not in a position to come to a satisfactory conclusion as to the amount of the profits which would be derived at each branch. The Irish board had visited one branch which they thought was not doing well, but after making an investigation they determined to give it a further trial. He assured the meeting that in the event of any branch not paying it would be done away with without the least delicacy.

The report and statement of accounts were then adopted unanimously.

The election of Mr. Haughton, Mr. Shaw, and Mr. Nixon having been confirmed, the retiring directors were re-elected.

The auditors, Mr. Barnett, M.P., and Mr. Miller, were also re-elected, and a vote of thanks to the chairman and directors, and to the managers and officers of the bank, concluded the proceedings.

EAST LONDON BANK, LIMITED.

THE third ordinary meeting of the shareholders was held on the 27th July, at the London Tavern, Charles Capper, Esq., in the chair.

Mr. H. Daniell, the secretary, read the following report:—

“The directors, in submitting their third report, congratulate the shareholders on the continued progress and prosperity of the bank. Since the last half-yearly meeting the head-office of the bank has been removed to, and the business is now carried on at, the premises in Cornhill. The profits of the half-year ending 30th June, 1865, as shown by the accounts appended to this report, and certified by the auditors, after providing for all bad and doubtful debts, deducting rebate of interest on current bills, and writing off an adequate proportion of the amounts standing to the debit of bank premises and preliminary expenses, enable the directors to recommend a dividend at the rate of 5 per cent. per annum, free of income-tax. The directors think it right to add that the number of current accounts, both at the head office and at the branches, have been and are steadily increasing, and the amount of money deposited is much larger than heretofore. The directors believe that the undertaking is now recognised in the city of London and elsewhere as one of the solid and matured joint-stock banks.

General Balance-sheet, June 30, 1865.

CAPITAL, LIABILITIES, ETC.

Dr.

Capital authorised, £2,000,000; issued in 20,000 shares of £50 each, £1,000,000.

Amount paid up—viz., £5 per share on 20,000 shares	...	£100,000	0	0
Amount due on current and deposit accounts exclusively	...	386,370	2	9

Carried forward	£486,370	2	9
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Brought forward...	£486,370	2	9
Amount due for general expenses, &c.	679	7	2
Reserve fund	12,000	0	0
Rebate of interest on current bills	...	£1,448	5	2			
Profit and loss account—net profit as per statement	3,621	2	11				
					5,069	8	1
					£504,118	18	0

ASSETS, &c.

Cr.

Cash at Bank of England, in hand, and at call	...	...	...	...	£128,899	5	9
Bills discounted, loans, &c.	...	...	...	...	327,844	6	5
Investments (£13,296. 8s. Consols)	...	...	...	...	12,000	0	0
Bank premises, fittings, and furniture	...	...	...	...	28,906	12	4
Balance of preliminary expenses	...	...	...	...	6,468	13	6
					£504,118	18	0

PROFIT AND LOSS ACCOUNT FOR THE HALF-YEAR ENDING JUNE 30, 1865.

Dr.

General charges at head office and branches, £4,195. 11s. 11d.							
Interest paid and due on current and deposit accounts, £3,116. 2s. 6d.	...	...	...	...	£7,311	14	5
Amounts written off—							
Bank premises account for depreciation in leasehold premises, furniture, &c., £750; preliminary expenses account in reduction of same, £500	...	...	...	...	1,250	0	0
Rebate of interest on current bills, £1,448. 5s. 2d.; balance being net profit to 30th June, 1865, £3,621. 2s. 11d.	...				5,069	8	1
					£13,631	2	6

Cr.

Balance at December 31, 1864, £3,841. 18s. 10d.; deduct amount of second dividend paid at the rate of 5 per cent. per annum, £2,500	...	...	...	...	1,341	18	10
Balance of profit for half-year ended June 30, 1865, after providing for estimated loss by bad and doubtful debts	...				12,289	3	8
					£13,631	2	6

The Chairman regretted the absence of Mr. Butler, whose labours during the late election had necessitated a tour in Scotland, and said it was his duty to move that the report and statement of accounts be received and adopted. It afforded him very great pleasure, on the presentation of the third half-yearly report and accounts, which had been placed in their hands, to think they would afford the shareholders every satisfaction. He must repeat that it would have been far more satisfactory if their worthy chairman had been able to preside, but he found himself "done up," and was obliged to seek relaxation. With regard to the progress of the business of the bank, everything was going on in a solid, satisfactory,

and steady way. Their business was increasing every day, and if they continued in the same course, instead of offering them 5 per cent. they should be able to give them a much larger dividend. It should be borne in mind, however, that a very low rate of interest had recently prevailed, and the consequence was the profits of that bank, and of all kindred establishments, had been very small. He would give them the history of the progress of the bank. In the first half-year, the amount due on current and deposit accounts was £209,000. In December in the same year it was £346,169, being an increase of nearly £140,000. And in the present half-year the amount was £386,370, showing a very large increase. All this had been done without undue or rash speculation at all. If the board had erred at all on any point, it was on the point of caution and prudence. The greatest temptations existed to do a larger amount of business to give them a larger dividend. But they hesitated to do so, for they had in all their dealings regard for one thing, and that was the safety of the bank, and the course they had pursued had placed that establishment in a higher position than any other establishment of the same age in the city of London held as regarded the prudence with which they conducted their business. If he wished to give them a further proof of the way in which their business progressed, the bills discounted, loans, &c., in June, 1864, were £235,000, and in December, 1864, £271,000, being an increase of £36,000. In the half-year ending June, 1865, they amounted to £327,844. That showed they had increased their business to that extent, and they had been supplied with funds from other sources to increase their profits. If the proof were needed, he could mention the fact that from January to the 6th of June, in this year, there was an increase on their current and deposit accounts of 33 per cent.; and to show them the very good, substantial, and extensive business they were doing, he would tell them the transactions of the bank over the counter during the last six months amounted to £27,000,000 of money. (Hear, hear.) These were great results, and this had been arrived at by the great confidence which had been placed in the management of the bank. That had been the policy of their board, and this would be policy of the shareholders. Although they only paid 5 per cent., under the circumstances explained to them, he thought they would consider that very satisfactory. (Hear, hear.) They should have had no difficulty in doing a much larger business, possibly it might have been doubled, but they had declined to do anything speculative; Mr. Butler, M.P., the chairman, thought 5 per cent. dividend very satisfactory, looking at the circumstance of the past half-year, and the way in which they had transacted their business. He believed the bank was destined, at no distant day, to become a great bank, because he was sure with the confidence they were daily and hourly acquiring, with the increased deposit and current accounts, they would be enabled to increase the profitable operations of the bank. (Hear, hear.) Their balance-sheet was one signed by three directors, and two of them who were auditors, and Mr. Youngs of the firm of Coleman, Turquand, and Youngs. Every security, every document, in the bank had been inspected by those gentlemen. Every item of doubt had been written off. They had taken credit for nothing that was not really tangible and substantial. (Hear, hear.) That was the policy of the board, and he hoped it would meet with their approval. (Hear, hear.) Their manager, if he erred, erred on the side of caution; he erred on the right side; and if they were to continue to be successful, their manager, deputy-manager, and secretary should be supported, and would be supported; and he hoped, with the confidence reposed

in the board and officers, they would be much better off, and better able to pay a larger dividend than they were at present. (Hear, hear.)

Mr. Fennings seconded the motion, which was unanimously adopted without discussion.

Mr. White moved the declaration of a dividend at the rate of 5 per cent., free of income-tax, payable on the 28th of July. There was very little to say, after what had been stated by the chairman. But this he would say, so far as he had been concerned, he had used his best endeavours for the promotion of the best interests of the bank. (Hear, hear.) He was ready to resign if any other respectable gentleman would occupy his place, and employ his interest with his friends for the benefit of the bank as he had done. But he claimed no credit for it. Their large property was in the hands of a few directors, and it was for the shareholders to see how far their property was properly cared for whilst under their management. He had risen to say, although he was one of the largest shareholders in the bank, he would remain so, and if they gave him their kind co-operation he would return the same. (Hear, hear.)

Dr. Collum seconded the motion, which was unanimously carried.

A sum of £50 was voted to the auditors.

Thanks were voted to C. S. Butler, Esq., M.P., as chairman; to the directors; to the general manager (Mr. Latter), the deputy-manager, the secretary (Mr. Daniell), and the other officers of the bank.

A vote of thanks to Mr. Capper, who presided in the absence of the chairman, brought the business of the meeting to a close.

ORIENTAL FINANCIAL CORPORATION.

THE second ordinary meeting of the members of the above corporation was held at the London Tavern, on the 28th July; Mr. John Brown in the chair.

The following report and circular were presented:—

“The directors beg to submit to the shareholders the report of the proceedings since the last general meeting, held on the 27th January, as also the accounts up to the 30th June, duly audited. In the circular issued by the directors on the 12th May, mention was made of their inability, from the want of unanimity in favour of the measure on the part of the shareholders, to carry out the suggestion as to the reduction of the nominal amount of each share. The directors have further to report that none of the proposals for amalgamation which they have had under consideration have, as yet, come to a successful issue. With reference to the accounts, the directors have to mention that as against the item of £191,570. 9s. 8d. under the heading of “Advances on Securities,” the corporation holds collateral security to the nominal value of £333,585. It will be noticed that it has been deemed advisable to write off a further amount of £1,000 from the preliminary expenses, and this reduces the amount at the credit of profit and loss on the 30th ult. to £11,372. Unless otherwise desired by the shareholders, the directors do not intend declaring an ad interim dividend for the past half-year. As mentioned in the circular above alluded to, the directors have been enabled to place the securities of the corporation on a more satisfactory footing, but from want of capital

BANK OF EGYPT.

The half-yearly meeting of the shareholders was held on the 28th July ; Mr. Tite, M.P., in the chair.

The following report was taken as read :—

“ The directors have the pleasure to lay before the shareholders the annexed statement of accounts for the half-year which ended on the 30th June last, by which it will be seen that the net profits, including a balance of £4,819. 6s. 5d. brought forward from the previous half-year, amount to £16,966. 18s. 3d. This enables the directors to recommend a dividend for the half-year, as on the last occasion, at the rate of 10 per cent. per annum (£12,500), free of income-tax, leaving £4,466. 18s. 3d. to be carried forward to the next account.”

Balance Sheet 30th June, 1865.

LIABILITIES.

Capital paid-up	£250,000	0	0
Reserve fund with interest to date	20,600	0	0
Bills payable	300,159	3	8
Current and other accounts... ..	235,748	15	11
Profit and loss, balance as below, after payment of dividend	4,466	18	3
	<u>£810,974</u>	<u>17</u>	<u>10</u>

ASSETS.

Cash	£35,271	0	10
Bills receivable	453,108	2	8
Government securities (Egyptian)	170,591	4	5
Other securities	152,004	9	11
	<u>£810,974</u>	<u>17</u>	<u>10</u>

*Profit and Loss Account, 30th June.**Dr.*

Dividend for the half-year, at the rate of 10 per cent. per annum, payable on the 4th August	£12,500	0	0
Balance carried to next account	4,466	18	3
	<u>£16,966</u>	<u>18</u>	<u>3</u>

Cr.

Balance of undivided profits, 31st December, 1864	£4,819	6	5
Net profits for the last six months, after providing for bad and doubtful debts, rebate of interest, current expenses in London and Egypt, and directors' remuneration	12,147	11	10
	<u>£16,966</u>	<u>18</u>	<u>3</u>

The Chairman moved the adoption of the report. He said although the state of affairs in Egypt had at times assumed a serious aspect, they had escaped such heavy losses as were incurred by some other companies,

and including a balance of £4,819 brought to £16,966. The great cotton crisis struck the houses in Egypt, and it was estimated that £2,000,000. To that difficulty was added the fact that the agent had informed them that the losses in Alexandria 4,000, in Cairo 5,000, in Damietta 6,000, and that the total number of deaths within the last year that cholera had raged in Egypt was 19,250. The disease was now abating, and trade might be revived.

The report was adopted, and a dividend of 10 per cent. annum was declared.

The meeting terminated with the customary business of the man and the other directors.

[We shall give a more extended report in the next issue.]

WESTERN BANK OF

The judges of the first division of the Court of Common Pleas gave their verdict in favour of Mr. Addie, who claimed that the Western Bank re-payment of his shares, was not due on what he alleged to be false accounts. Their lordships did so on the same grounds as the verdict obtained in similar circumstances in the case of the Kentish Bank, as being contrary to evidence. The result is reserved.

STOPPAGE OF THE CANTERBURY

On the evening of the 26th June, but not before it was known that something was wrong in connection with the Saving's Bank, an institution which has long enjoyed the fullest confidence of the labouring classes, it need only be said that the deposits amounted to £150,000. On the following morning the bank had stopped, and for some time considerable excitement could be no doubt of the fact, for the announcement was in The Kentish Gazette, but the alarm was not so great as the excitement by the assurance that the trustees at a meeting convened to consider the position of the bank had been closed to the depositors in full. The bank had been closed since the defalcations of the secretary and secretary had many years been held in great esteem and respect in position and influence in East Kent. It was against the secretary, who has made over his share in the bank. On the morning of the 27th the trustees of the depositors' pass-books, and the trustees of the bank with the concurrence of the authorities of the county they would immediately be in a position to pay the amount of their respective amounts, with interest.

THE NEW LAW OF PARTNERSHIP.

CAP. LXXXVI. AN ACT TO AMEND THE LAW OF PARTNERSHIP,
5TH JULY, 1865.

Whereas it is expedient to amend the law relating to partnership: be it therefore enacted by the Queen's Most Excellent Majesty, by and with the advice and consent of the lords spiritual and temporal, and commons, in this present parliament assembled, and by the authority of the same, as follows:

The advance of money on contract to receive a share of profits not to constitute the lender a partner.

1. The advance of money by way of loan to a person engaged or about to engage in any trade or undertaking upon a contract in writing with such person that the lender shall receive a rate of interest varying with the profits, or shall receive a share of the profits arising from carrying on such trade or undertaking, shall not, of itself, constitute the lender a partner with the person or the persons carrying on such trade or undertaking, or render him responsible as such.

The remuneration of agents, &c., by share of profits not to make them partners.

2. No contract for the remuneration of a servant or agent of any person engaged in any trade or undertaking by a share of the profits of such trade or undertaking shall, of itself, render such servant or agent responsible as a partner therein, nor give him the rights of a partner.

Certain annuitants not to be deemed partners.

3. No person being the widow or child of the deceased partner of a trader, and receiving by way of annuity a portion of the profits made by such trader in his business, shall, by reason only of such receipt, be deemed to be a partner of or to be subject to any liabilities incurred by such trader.

Receipt of profits in consideration of sale of goodwill not to make the seller a partner.

4. No person receiving, by way of annuity or otherwise, a portion of the profits of any business, in consideration of the sale by him of the goodwill of such business, shall, by reason only of such receipt, be deemed to be a partner of or be subject to the liabilities of the person carrying on such business.

In case of bankruptcy, &c., lender not to rank with other creditors.

5. In the event of any such trader as aforesaid being adjudged a bankrupt, or taking the benefit of any act for the relief of insolvent debtors, or entering into an arrangement to pay his creditors less than 20 shillings in the pound, or dying in insolvent circumstances, the lender of any such loan as aforesaid shall not be entitled to recover any portion of his principal, or of the profits or interest payable in respect of such loan, nor shall any such vendor of a goodwill as aforesaid be entitled to recover any such profits as aforesaid until the claims of the other creditors of the said trader for valuable consideration in money or money's worth have been satisfied.

Interpretation of "person."

6. In the construction of this Act, the word "person" shall include a partnership firm, a joint-stock company, and a corporation.

INSURANCE CORPORATION

THE Insurance Corporation of Great Britain and Marine, seek to raise £4,000,000 capital, the deposit to be £1 on application, £1 in 10 months. It is announced that 20,000 shares of which 10,000 shares are now offered, shares being reserved for the transfer and fire, life, and marine insurance companies on the success of limited liability, and the principal elements of insurance will, it is developed under our management. In the requisite arrangements for vigorous and the corporation will commence its commanding a foremost place in this branch.

OVEREND, GURNEY

THE announcement of the conversion of Co.'s into a limited liability company, with surprise, but on the whole with capital is to be £5,000,000, in 100,000 £15 per share is to be called up by a deposit, £5 per share on allotment, £4 per share, and £4 per share on the 15th include Mr. Henry Edmund Gurney, Mr. Robert Birkbeck, all members of the gentlemen are Mr. H. F. Barclay, Mr. Thomas Gordon, chairman of the Oriental Bank, Rennie, of Messrs. Cavan, Lubbock, and the goodwill is £500,000, one-half remainder in shares of the company, thereon, terms which, in the opinion of ensure a highly remunerative return. Ward Chapman retires from the firm and hereafter be engaged in other important business will be handed over to the new vendors guaranteeing the company and liabilities transferred. Three members consented to join the board of the new also retain a large pecuniary interest. Edmund Gurney and Mr. Robert Birkbeck of managing directors, and undertake business, assisted by Mr. Pelly and Mr. business of the company," it is very probable this arrangement, be carried on as heretofore the co-operation of the board of directors.

services of the existing staff of the present establishment." Mainly an essential ingredient in the success of the under- directors finally promise that they will give their careful to the cultivation of business of a first-class character only, their conviction that they will thus most effectually promote ity of the company and the permanent interests of the s."

Reviews.

Notes Issue Bill—*A Letter addressed to the Hon. A. Leslie*
By WILLIAM RODWELL. DALTON & LUCY, Cockspur-street.
LL, who is the honorary secretary to the Association of Banks s done good service to the cause in which he is engaged by very handy form, all the important proceedings taken by the with regard to the recent Bank Notes Issue Bill of the Chan- Exchequer, from the first issuing of the bill to its sudden when fixed for the third reading. The facts are embodied in ased to the Hon. A. Leslie Melville, the chairman of the asso- although for the moment the subject may be dropped, there can doubt that in the next session of Parliament it will in some r be revived, and in the meantime the proceedings of the ow made public, will be read with interest by all parties the question.

f Numbers—A Table by Lieut. Col. W. H. OAKES, A. I. A.
LAYTON, Fleet Street.

has produced an elaborate Table of the Reciprocals of Num- to 100,000, with their differences, by which the reciprocals may be obtained up to 10,000,000. This will be found an useful work to persons engaged in various professions, but larly those connected with insurance associations, as it enormous amount of labour in the numerous calculations make. The Table, which forms a rather large volume, is hat the references can be made with the greatest ease.

Circulation Monétaire et la Banque et le Credit—Par P. I.
aris. GUILLAUMIN ET Co., Rue, Richelieu.

interesting volume, written by one of the Parisian school onomy. Mr. Coulet is a clever reasoner and a sound e deals with his subject in a straightforward manner. All e watching the course of the discussion on banking and should consult his elaborate essay. The statistics con- nking in France and Belgium are especially valuable.

Communications

To the Editor of the "Banking in Australia"

BANKING IN AUSTRALIA

SIR—In communicating a few items of interest to your journal, I have to inform your readers of the formation of a new local bank under the designation of the Ballaarat Banking Company Limited. The capital is £200,000 in 20,000 shares of £10 each, the issue not to exceed 10,000. The prospectus, which was applied for, and as yet has not been issued, is pretty well to do, individuals employed in a remunerative business may be done in a number of ways; it does not intend to enter into the business of issue notes; it does not intend to enter into the business of deposits at call or fixed for a period. The management of the bank means and large experience in commercial banking, will have no difficulty in bringing the bank to be managed economically and profitably. The Ballaarat Company will, I trust, have many flattering offers of business from Ballaarat has so much increased of late years; the banks have been so successfully established; the banks are being so thoroughly developed with the agricultural interests so rapidly extending. The local body of directors was much needed. The banking institutions in Ballaarat, both English and Colonial, that assistance to mining companies, mines, and the labour by the establishment of a new industrial mine, or the character of the miner or trader, all danger of loss arising to a bank making a mistake at Ballaarat have to act up to the instructions of the colony, and the chief in the colony is under the supervision of London, who are most likely men of the colony and commerce, and most anxious to promote the interests of the establishments; but what knowledge is it to have regarding the mining and agricultural and constantly improving district? I have, some time ago, a series of instructions from the office is in London, to the managers of the colony regarding mining advances, which, if acted upon, will be the eyes of these worthy men by a speedily decided.

It is well known mining is the grand industry of the colony and bustling community lives and prospering by the immense quantities of gold, and giving steady employment to men. The bank having one or two large shareholders, fortunate, and so highly is a connexion of the bank managers pay personal visits to the colonies for inducements for their accounts. In order to be entertained of a good mining account, I have, of a bank, whose head office is in London, and hearing that a company determined to

to another institution, went in person to the mine and begged in the most humiliating manner to continue to transact their banking affairs at his bank. This conduct deserves to be exposed, it is not fair and manly competition, and altogether unworthy the high character a bank manager ought always to bear. The success of our local banks depends to a large extent upon the development of the auriferous wealth of our mines. A bank making advances to companies on the security of the machinery need not expect to escape losses occasionally. In the event of a company proving unproductive, or a want of means to prosecute the search for gold arising, the security against which an advance was made falls into the hands of the bank, and seldom realizes a fifth part of the original outlay, and not unfrequently the property is quite unsaleable. I do not think, however, that any bank in Ballaarat has as yet sustained a heavy loss by mining companies becoming insolvent, whereas, on the other hand, the connexion has proved most valuable by extending very largely the circulation of notes, increasing the deposits, and spreading discounts over a wide area. There are seven branch banks in this town, whose circulation of notes may be put down at £200,000; deposits of various kinds over £500,000; and amount of bills under discount probably not less than £300,000. Now, of these amounts the miners ought to receive credit for one-half, at all events, showing very plainly the mining community deserves the support the banks can render individually or collectively. That great caution and prudence are required by bank managers in dealing with mining companies and such individuals as solicit assistance on mining security can be readily seen, only I would venture to say to directors in London interested in Australian banks that there is a splendid outlet in the gold fields for capital, which, if well invested, could not fail of turning out most remunerative. The financial operations of Ballaarat are assuming almost gigantic magnitude compared with what they were a few years back. The banks are doing well, and, by still further extending assistance, great strides of progress and improvement will occur within the coming years as have already so greatly distinguished this pushing town and district. Banking is still in its infancy; there is a daily widening arena opening up; resources are being yearly developed to an amazing extent, and picture the fact of seven banks, with upwards of fifty officers, doing business in a town whereon only a dozen years ago sheep depastured, and the emu and kangaroo walked monarchs of all around.

I remain, Sir,

Yours truly,

BANK CLERK.

BANKERS AND ASSURANCE POLICIES.

SIR—The present bankruptcy law is so very different from the former in reference to the above, that I think you would do a very considerable service if you would afford some space for the discussion of this subject. An ordinary assignment of a policy would run thus :—

“Know all men by these presents, that I of in the county of in consideration that I am or may become indebted or liable to the Banking Company upon account current, bill, note, or otherwise, do grant and assign to in the county of in the same county, and of in the same county, esquires, (the trustees of the said banking company), their executors, administrators, and assigns, a policy

or instrument of assurance effected by me or Assurance Society, for the sum of po day of 18 , and numbered to accrue due on the said policy, and all my full power in the name or names and as the tors or administrators, to demand, recover, and the said assigned moneys and premises ever same unto the said trustees, their executors by way of mortgage for securing to the sment of all moneys in which I am or may them upon account current, bill, note, or said Assurance Society to pay to the said assigned, and when as the same shall become and empower the said trustees, at any time owing from me to the said banking company render the said assigned policy to the said and assign the same to any other person or price or consideration in money, and in such tees shall see fit, and to apply the moneys Assurance Society, and the proceeds of such (after deducting the costs of and incident payment and satisfaction of the moneys and be secured, rendering the overplus (if any) tistrators. And I covenant with the said truce Society the premiums, fines, and other said policy, and to produce to the said trustee voucher, for every such payment, and to And if I shall at any time fail to pay such moneys, or any of them, within the first spectively shall have become payable, I authorize the same, and then and in that case I further tees to repay the same to them with interest the rate of £5 per centum per annum; and the payment thereof. And I declare that the said trustees, or any of them, for any sum or or in respect of the said policy, or upon any aforesaid, shall be effectual discharges for the relieve the said Assurance Society, purchaser paying the same, from all liability to see the such Assurance Society, purchaser, or other person bound or entitled to inquire whether any come to the said banking company. And I declare the trusts hereby given to or reposed in the said the trustees or trustee for the time being of In witness whereof I have hereto set my hand of 18 .

Signed, sealed, and delivered in the presence Now, under the former bankruptcy law, the the amount deducted from the proof; so it but in the assignment above there are two distinct assignment of the policy with its then value valuable covenant—viz., the provision for the main point in the value of a life policy as it comes more and more valuable. Under the and clear, because the then value of the policy

the proof, and the future premiums became a new and continuing sum which bankruptcy did not release him. For instance, sup-annual premium became due even the very next day after, he could be sued for it, and so on from year to year; but the 1861 bars such proceedings, and thus far, at first sight, would do considerable damage to life policies as securities—and thus the important subject under discussion. The clause to which I refer is (Act of 1861, s. 154) and runs thus :—"If any bankrupt shall at the time of his bankruptcy be liable by reason of any contract or promise to pay premium on any policy of assurance, or any other sums of money, whether or not the same are due, or otherwise, or to repay to or indemnify any person against any loss or damage, the person entitled to the benefit of such contract or promise, if he think fit, apply to the court to set a value upon his interest in such contract or promise, and the court is hereby required to do so, and to admit such person to prove the value thereof, and to receive dividends thereon." This clause may be construed as must; at any rate, you will find it so in the Act. Now, this would have a very important effect upon the proof. We will take an ordinary office valuation of a policy. Say, a policy has paid in £100 in premiums, the policyholder is now aged fifty, the office value would be something like £40, the value of the future premiums would be, say, £250. Now, if the policy is not due, the proof would stand thus :—

Balance due at bankruptcy	...	...	...	£584
Deduct value of policy, say	...	...	...	40
				<hr/>
				544
Add actuary's valuation of future premiums, say	...	...	...	250
				<hr/>
Amount of proof	...	...	...	<u>£794</u>

proofs made in this way passed by three or four, and objected to; but on explanation all have acceded to it. But it is a question worthy of consideration, as it makes a life policy, even if a young man, a very valuable security in case of bankruptcy, by increasing the value of the policy, and on consideration, taking the assigned value, it appears to be both fair and reasonable, because if you take the present value of the policy, that is all that can be demanded. The charge for future premiums is also a distinct, but valuable security, and as the new law takes away your power to sue for future premiums, it is right that you should take a dividend on that value of the policy. I shall be glad to see this matter fully discussed in the pages of your journal.

Your very truly,

H. S. C.

AUSTRALIAN SOVEREIGNS.

In reply to your correspondent "T," I beg to say that the Act relating to these coins makes them legal tender in England, after the proclamation by her Majesty declaring them to be so. This

proclamation has not yet been published, in consequence, I believe, of some difference as to alloy between the authorities at the Tower and the Sydney Mint.

I am, Sir,
Your obedient servant,
J. PLAZA.

5th July.

FOREIGN BILL OF EXCHANGE.

SIR—Will you kindly favour me with your opinion on the following point:—

A bill drawn from Hamburg on London, on the 26th May, at three months after date, is accepted by the drawee thus—"pr. ultimo Sept., accepted at—A. B." Is it legally due on the 29th August according to tenor, or can payment only be demanded on the 30th Sept. (or 3rd October with the grace), according to the acceptance?

Yours truly,
W. M. N

July 12, 1865.

[We apprehend the acceptor would have the right to vary the tenor of the bill, unless the holder refused and so protested it.]

THE PARTNERSHIP ACT.

SIR—1. Please state what is the liability of a person who has a small sum of money in a business concern, and who receives his share of the profits?

2. Is he liable for his proportion, or all, of the debts of the concern so far as his private property would go in covering same?

3. In the event of bankruptcy of the firm, would this party lose all the money he has in the firm, or would he be considered a creditor?

Truly yours,
A SUBSCRIBER.

July 13th, 1865.

[The Act of Parliament, 28 and 29 Vic. c. 86, passed during the late session, will fully answer all those questions. It is a short Act and is published elsewhere at length.]

CROSSED CHEQUE.

21st, July, 1865.

SIR—Will you inform me whether a crossed cheque which has not the words "& Co." written between the double lines, may be paid to a private party presenting it, or whether it is necessary that it come through a bank.

I am, Sir,
Yours, &c.,
CHEQUE CLERK.

[Yes: the holder can demand payment.]

Estates of Failed Firms.

THE ESTATE OF MESSRS. J. T. BELL & CO.

of the creditors of Messrs. J. T. Bell and Co., of London, was held on the 10th July, when an approximate statement of affairs, prepared by Messrs Coleman, Turquand, Youngs and Co., was presented, showing general debts and liabilities of £34,998, and assets, £34,998. There are special liabilities on account of Nowrojee Ardaseer, amounting to £280,250, but the property of this native banker is placed at a much higher total, and it is expected he will meet all his liabilities. The creditors having expressed entire confidence in Mr. Bell, the partner on this side, resolutions were passed at the meeting until further information was received from him. In the meantime it has been arranged that Mr. Bell shall superintend the liquidation with the assistance of Messrs. Coleman, Turquand, and Co., two of the creditors giving at the same time the benefit of their experience.

MERCANTILE SUSPENSIONS.

During the past month the following suspensions have been announced during the past month :—
 Messrs. Thomas Moore & Sons Manchester, Iron Merchants.
 Messrs. Frederick Osterroth & Co., London, General Merchants.
 Messrs. J. T. Bell & Co., London, East India Trade.
 Messrs. Nasmyth & Co., London, East India Trade.
 Messrs. Scott, Bell, & Co., London, East India Trade.
 Messrs. Jarvie, Thorburn, & Co., Shanghai, Merchants.

MONTHLY CHRONOLOGY.

—Suspension announced of Messrs. Thomas Moore and Sons, Manchester, iron merchants, with liabilities to about £35,000.
 —Stoppage of Messrs. Frederick Osterroth and Co., of Upper Street, described as general merchants.
 —Suspension of Messrs. J. T. Bell and Co., of Billiter Square, in the East India trade, with about £35,000 liabilities.
 —Suspension of Messrs. C. I. Nasmyth, and Co., of Great St. Helen's, in the East India trade, with debts amounting to £70,000.
 —Parliament prorogued by commission, the Queen's message having been read by Earl Granville, and on the same day the dissolution of Parliament announced, by royal proclamation, in the London Gazette.
 —Suspension of Messrs. Scott, Bell, and Co., of London, in the East India trade, with £800,000 liabilities.
 —General elections for the representatives in the new Parliament commenced.
 —Intelligence received of the suspension of Messrs. Jarvie, Thorburn,

and Co., of Shanghai, agents to Messrs. Bue failed in London, in April.

27.—The directors of the Bank of England discount from 3 to 3½ per cent.

BANK MOVEMENTS

Mr. W. W. Scrimgeour, retires from the post of Bank of London, and joins the board, giving the excellent advice. Mr. J. A. Barton succeeds to the

Mr. C. J. H. Allen, late secretary and deputy manager of the Union Bank of London, Mr. John H. have been appointed deputy-managers of the bank, and Mr. Allen has been appointed secretary.

In consequence of the elevation of Mr. J. A. Barton to the post of manager of the Union Bank of London, Mr. G. W. has been appointed manager. Mr. W. has been appointed secretary in the place of Mr. Newmarch, who has retired on ill-health.

Notes of the M

THE LAW ON THE NOTES OF STOPPED BANKS.—A case of a note of the late bank of Messrs. Spooner & Co. was brought before Judge Welford in the Birmingham County Court, before Judge Welford. Mr. Wilkes had a table knocked down to him for auction rooms on the 10th of March. The same day he presented to one of plaintiffs' clerks a £10 note of the bank, which he received in exchange £3, and took away the table. The bank stopped payment. The note was paid in by Ludlow and Daniell to their bankers, and on the same day Mr. Wilkes informed him of the stoppage of the bank. The case was argued before Judge Welford on Tuesday, and on Thursday his honour gave judgment deciding that the defendant could not be held responsible for the value which the note had undergone after it left his hands.

RIGHTS OF BANK SHAREHOLDERS.—A case of a shareholder and intending borrowers came on for hearing at the Birmingham County Court on the 15th July. It was an appeal from a decision of the court in the following circumstances:—A gentleman obtained a loan from the Bank, for which he paid a deposit of £6. He then called on the directors upon inquiry declined to grant, with

damages and for the £6 deposit. The chairman ruled that he had no right to damages, but that he was entitled to have the deposit refunded. Against this decision the company appealed, and Judge Christian gave judgment in their favour, holding it to be clear that the respondent was not entitled to get a loan merely because he held shares, and that he was equally not entitled to get back the deposit. The shares were his property, and he was entitled to dividends upon them, but could only relieve himself of the liability respecting them by transferring them in proper form.

TENDERS FOR BILLS ON INDIA.

THE biddings for 25,00,000 rupees in bills on India took place on the 5th July at the Bank of England. The proportions allotted were to Calcutta, 17,41,000 rupees; to Madras, 35,000 rupees, and to Bombay, 6,60,000 rupees. The *minimum* price was, as before, 1s. 10½d. on Calcutta and Madras, and 1s. 10¾d. on Bombay. Tenders on Calcutta and Madras at and above 1s. 11½d. and on Bombay at and above 2s., will receive in full. Further biddings for 25,00,000 rupees in bills on India took place on the 19th July. The proportions allotted were—to Calcutta, 17,76,000 rupees; to Madras, 2,24,000 rupees, and to Bombay 5,50,000 rupees. The *minimum* price was as before, 1s. 10½d. on Calcutta and Madras, and 1s. 10¾d. on Bombay. Tenders on Calcutta and Madras at 1s. 11½d. will receive about 54 per cent., and on Bombay, at 2s. in full.

TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month and five months ended the 31st May, were issued on the 29th June, and on the whole may be regarded as more favourable than those presented for the two or three previous months. Although there is again a falling off in the value of the exports, still it is less in amount than several of the preceding returns, and shows a steady revival in trade. The total declared values of exports for the month of the present year was £13,194,758 against £14,176,640 in 1864, and £11,281,289 in 1863, which is a decrease as compared with the former period of £981,882, but an increase over the latter of £1,913,469. For the five months of the present year the total was £60,901,576, against £64,060,060 in 1864 and £50,742,670 in 1863, showing a decline of £3,167,484 as contrasted with 1864, but an increase of no less than £10,158,906 over 1863. As regards exports, there has been an increase in alkali, beer and ale, coals and culm, cotton yarn, cotton manufactures, machinery, seed oil, silk manufactures, and woollen worsted yarns. On the other hand, there has been a decrease in apparel and slope, haberdashery and millinery, hardware and cutlery, linen yarn, linen manufactures, metals, thrown silk and woollen and worsted manufactures. With respect to imports, there has been an increase in animals, guano, raw silk, tallow, wool, cocoa, and coffee, but a falling off in clocks and watches, raw cotton, flax and hemp, saltpetre, flax seed and linseed, woollen manufac-

tures, spirits, sugar, tea, tobacco, and wine. has been a large increase in the importation regards provisions an increase is exhibited lard, but a decline in bacon and hams, salt p tables exhibit the changes in the several art

EXPORTS.

Coals and culm ...	...	...	...	tons
Cotton manufactures ...	...	...	...	yards
Cotton yarn ...	...	...	...	lbs.
Haberdashery and millinery ...	...	...	...	value £
Linen manufactures ...	...	...	...	yards
Linen yarn ...	...	...	...	lbs.
Iron, pig ...	...	...	...	tons
Ditto, railway ...	...	...	...	"
Copper, unwrought ...	...	...	...	cwts.
Ditto, sheets, nails, &c. ...	...	...	...	"
Oil seed ...	...	...	...	gallons
Silk manufactures ...	...	...	...	value £
Ditto, thrown ...	...	...	...	lbs.
Spirits, British ...	...	...	...	gallons
Woollen cloths, &c. ...	...	...	...	yards
Woollen and worsted yarn ...	...	...	...	lbs.

IMPORTS.

Cocoa ...	...	...	...	...	lbs.
Coffee ...	...	...	...	...	"
Wheat ...	...	...	...	...	qrs.
Wheat-meal and flour ...	...	...	...	...	cwts.
Cotton, raw ...	...	...	...	...	"
Flax ...	...	...	...	...	"
Hemp ...	...	...	...	...	"
Hides, tanned, &c. ...	...	...	...	...	lbs.
Leather manufactures ...	...	...	...	...	pairs
Butter ...	...	...	...	...	cwts.
Cheese ...	...	...	...	...	"
Flax-seed and linseed ...	...	...	...	...	qrs.
Silk, raw ...	...	...	...	...	lbs.
Silk, thrown ...	...	...	...	...	"
Silk manufactures ...	...	...	...	...	"
Spirits ...	...	...	...	...	gallons
Sugar, unrefined ...	...	...	...	...	cwts.
Tallow ...	...	...	...	...	"
Tea ...	...	...	...	...	lbs.
Tobacco ...	...	...	...	...	"
Wine ...	...	...	...	...	gallons
Wool ...	...	...	...	...	lbs.
Woollen manufactures... ..	...	...	...	...	value £

Monetary Intelligence.

MONETARY REVIEW FOR THE MONTH OF JULY.

FINANCIAL and commercial affairs have not experienced any great change during the past month, still there has latterly been a tendency to increase in the value, and the rate has, at the last moment, the 27th July, been placed at $3\frac{1}{2}$ per cent. This is a rise of $\frac{1}{2}$ per cent.; from the character of the temporary pressure the last few days, some parties expected that an advance of 1 per cent. would be made. It is satisfactory to find that the Bank directors do not consider it necessary to proceed further in the adverse direction at present, seeing that the next day, the 28th, £133,000 bar gold was sent into the Bank, and that the Bank of France return has once more improved. The course pursued by the governor and the court appears exceedingly proper. Exceptional circumstances are for the moment notably influencing the money market, and though as the season advances, the terms may become dearer, it is not supposed the rise will be immediate. The only drawback at present to the existence of a sound state of things is the introduction of public companies, the majority of which can never last. The prospects of the harvest are favourable, and it is now said the returns will prove an average which is quite as much as was anticipated. If the Bank directors had carried the rate to 4 per cent. it would have been essential for the Bank of France to have followed to some extent. As it is, it is not supposed they will resort to any such step, particularly as the decrease in their bullion has been checked. The supply of capital, both in the discount market and at the Stock Exchange, has augmented since the Bank alteration, showing that the effect of the event has been anticipated. At the same time, a great number of the operators have over-provided themselves, and finding the Bank minimum not as onerous as imagined, have re-loaned a portion of the sums they borrowed. Another month will show whether we are likely to have full quotations in October, November, and December.

The range in Consols has been exceedingly limited. Only moderate transactions have taken place throughout the month. Speculation is quite at a stand. After dullness in the early part of August, there is now increased firmness. The government broker is expected shortly to re-invest an account of the sinking fund. No especial movement has occurred in exchequer bills.

Foreign stocks have not greatly varied. The market has been quiet, and scarcely anything has been done in the shape of business. For the majority of cases prices have been heavy. Spanish receded greatly at the commencement of the month; latterly a rather better feeling has prevailed, the price having recovered. Mexican, Turkish, and other classes continue to manifest dullness.

The railway market has suddenly become languid, and prices generally exhibit a decline through the unfavourable prospects of dividends, and the termination of outstanding speculative accounts. The traffics have been tolerably good, but there is an apprehension that the average of expenditure is again increasing.

The produce markets continue dull, and till after the season for recreation is over we are not likely to have much animation. When relief is experienced here, there will be a corresponding revival in other trade departments.

THE GRAIN TRADE.

As is usual at this period of the year, the state of the weather and the progress of the harvest have had some little influence upon the price of grain. In the early part of the month quotations for nearly all descriptions advanced from 1s. to 2s. per quarter, but towards the close there was a decline to about the same extent. Wheat has not been in great demand, and the supplies of both home grown and foreign have been ample. Barley has been in moderate request for the season, and oats have changed hands pretty freely. The latest official quotations were—Wheat, 42s. 6d. per qr.; barley, 27s. 10d.; and oats, 21s. 7d. per qr.

The *Gazette* returns for England and Wales have been :—

Week ending, 1865.	Wheat. Qrs. sold.	Weekly Average.	Duty.	Corresponding Weeks Last Year.
		s. d.	s. d.	s. d.
June 24	51,039 ...	41 3	1 0	40 3
July 1	52,540 ...	41 6	1 0	40 0
" 8	56,954 ...	42 5	1 0	40 9
" 15	50,048 ...	43 1	1 0	41 9
" 22	52,131 ...	43 0	1 0	42 6

The importations since the harvest of 1864 have been :—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Forty-eight weeks ended 17th June ...	16,291,628	22,658,378	38,950,006
Five weeks ended 22nd July ...	2,277,779	3,006,253	5,284,032
	18,569,407	25,664,631	44,234,038

And the weekly averages have been :—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Forty-eight weeks ended 17th June ...	339,000	472,000	811,000
Five weeks ended 22nd July ...	455,000	601,000	1,056,000
More	116,000	129,000	245,000

STATE OF TRADE.

THERE has been no special movement in trade. Business in Lancashire is considered to be very steady, and it is not probable any great revival will take place till subsequently to the harvest.

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February and August, instead as formerly in May and November. This has been rendered necessary by the great increase of the Meetings of the Banks and Discount Companies, which will be always carefully collected in the pages of the *Bankers' Magazine*. We shall also give the proceedings of the various Credit and Finance Companies as they are more or less associated with banking, so that our subscribers and readers can refer to them without difficulty. Correspondents will please forward communications addressed to the Editor, No. 8, Birchin Lane; subscriptions and orders as usual to Messrs. Groombridge and Sons, Paternoster Row, or Messrs. Waterlow and Sons, Carpenters' Hall, London Wall. **BANKING AND FINANCIAL ANECDOTES.**—It will be perceived from notice elsewhere, that the Editor of the *Bankers' Magazine* is collecting and arranging a series of Banking and Financial Anecdotes. Any contributions from subscribers and readers of the *Magazine* will be thankfully received, particularly if the subject-matter shall not have previously appeared in print. Nothing personal or offensive will receive publicity.

BANK OF FRANCE. **DEBTOR.**

	June 29.		July 6.		July 13.		July 20.		July 27.	
	F.	C.	F.	C.	F.	C.	F.	C.	F.	C.
Capital of the Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
Reserve in addition to Capital (Art. 8, Law of June 9, 1857) ...	7,044,776	2	7,044,776	2	7,044,776	2	7,044,776	2	7,044,776	2
Reserve of the Bank and its branches ...	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
Reserve in landed property ...	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
Reserves in circulation ...	802,508,125	0	859,170,675	0	584,390,025	0	899,347,175	0	98,722,075	0
Notes to order and receipts payable ...	8,113,266	57	8,719,290	13	7,799,065	31	7,507,759	96	8,310,734	24
Interest account current, creditor ...	170,506,224	26	140,407,830	35	142,817,298	96	143,070,305	85	143,783,194	41
Interest accounts, Paris branch banks ...	187,151,770	8	188,902,292	52	187,928,359	19	148,076,040	61	168,620,111	6
Interest on deposits and bonds payable ...	31,375,975	0	32,517,695	0	30,553,339	0	31,397,437	6	30,551,609	0
Interest on sundry accounts and sundry interests ...	14,918,508	75	9,984,875	75	5,867,530	75	4,033,916	75	3,179,163	75
Interest on discounted bills ...	522,887	12	1,234,595	57	1,580,918	73	2,035,718	85	2,414,127	83
Interest on bills discounted the last 3 months ...	1,427,623	17	1,427,623	17	1,427,623	17	1,427,623	17	1,427,623	17
Interest on plus of receipts not distributed ...	752,993	36	752,993	36	752,993	36	752,993	36	752,993	36
Interest on advances ...	9,886,943	15	27,025,961	2	17,308,119	90	14,585,998	72	12,126,623	23
Total ...	1,442,614,913	57	1,485,784,358	3	1,466,075,787	55	1,467,885,395	43	1,485,548,011	20

CREDITOR.

	June 29.		July 6.		July 13.		July 20.		July 27.	
	F.	C.	F.	C.	F.	C.	F.	C.	F.	C.
Cash in hand and cash in the branch banks	512,901,803	34	521,352,745	50	498,683,812	19	493,997,371	55	494,212,341	33
Commercial bills overdue ...	267,475	10	2,151,994	26	500,203	2	145,843	81	213,290	47
Commercial bills discounted, not yet due	274,003,610	37	284,513,184	91	287,619,278	5	291,749,664	46	295,463,954	23
Branch banks ...	286,180,365	0	307,339,803	0	308,948,687	0	309,961,624	0	315,512,794	0
Advances on deposits of bullion ...	44,041,485	15	45,715,785	15	49,257,033	95	53,654,585	15	60,587,155	15
Branch banks ...	12,154,286	0	12,589,086	0	12,739,966	0	12,880,047	0	12,294,154	0
Advances on French public securities ...	15,568,800	0	15,618,500	0	15,462,100	0	15,264,900	0	15,121,500	0
By the branch banks ...	9,947,250	0	10,416,900	0	10,545,900	0	10,511,400	0	10,364,200	0
Advances on railway shares and debentures ...	30,894,900	0	31,982,500	0	31,562,200	0	31,424,600	0	31,060,200	0
By the branch banks ...	20,135,800	0	21,237,500	0	21,715,600	0	21,439,100	0	21,494,000	0
Advances on Crédit Foncier bonds ...	615,500	0	649,900	0	645,200	0	649,200	0	670,900	0
Branches ...	448,000	0	481,300	0	504,600	0	539,300	0	503,600	0
Advances to the State (Convention June 10, 1857)	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
Government stock reserve ...	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14
Disposable ...	36,557,487	91	36,557,487	91	36,557,487	91	36,557,487	91	36,557,487	91
Immobiliées (Law of June 9, 1857)	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
Interest and turn of Bank, not landed property of branches ...	8,413,185	0	8,428,384	0	8,428,384	0	8,432,463	0	8,437,014	0
Expenses of management ...	4,777	5	63,924	13	105,432	13	470,892	16	471,510	66
Advances ...	17,499,149	60	13,795,712	97	11,919,163	16	7,226,066	25	9,603,189	31
Total ...	1,442,614,913	57	1,485,784,358	3	1,466,075,787	55	1,467,885,395	43	1,485,548,011	20

FLUCTUATIONS IN ENGLISH AND RAILWAY SHARES

				Price on June 28.	
ENGLISH FUNDS.					
Consols	...	...	...	89½ to 90½	
Exchequer Bills	...	...	...	— xd par to 4pm	
FOREIGN STOCKS.					
Brazilian	...	...	...	99½	
Buenos Ayres	...	...	...	—
Chilian	...	...	...	—
Dutch 2½ per cents.	...	...	...	63½	
Mexican	...	...	...	25½	
Peruvian 4½ per cents.	...	...	...	80	
Russian	...	...	...	92	
Spanish	...	...	...	49½	
Turkish 6 per cents.	...	...	...	93½	
Ditto 4 per cents.	...	...	...	—
RAILWAY SHARES.					
Brighton	...	...	...	107	
Caledonian	...	...	...	132½	
Great Eastern	...	...	...	49½	
Great Northern	...	...	...	131½	
Great Western	...	...	...	69½	
Lancashire and Yorkshire	...	...	...	122	
London and North Western	...	...	...	123½	
Midland	...	...	...	134½	
North Staffordshire	...	...	...	89	
South Eastern	...	...	...	84½	
South Western	...	...	...	99½	
York, Newcastle, and Berwick	...	...	...	112½	
York and North Midland	...	...	...	104	
East Indian	...	...	...	105	
Northern of France	...	...	...	—

CREDIT, FINANCE AND DISCOUNT

	Share.	Paid.	London Latest Prices.	
Australian Mortgage, Land and Finance (Lim.)	25	3	3	Imperial M (Lim.)...
Consolidated Discount (Lim.)	50	10	5	Internationa Joint Stock
Contract Corporation (Lim.)	100	7½	2½	Land Credit
Crédit Foncier of Mauritius (Limited)	50	10	6½	Land Secur London Fin
Crédit Foncier and Mobilier of England	20	5	8½	tion (Lim.)
Discount Corporation (Lim.)	100	20	11	London Merc
East India Financial	50	7½	4	Mauritius La
Egyptian Commercial and Trading	20	4	2½	Agency (Li
English and Foreign Credit	50	7½	5	National Dis
Financial Corporation	100	2	...	Oriental Fin
Financial Discount (Lim.)	50	10	3	Ottoman Fin
General Credit and Finance of London (Lim.)	23	4	5½	tion (Lim.)
International Financial Society (Lim.)	20	5	5½	Société Finan
International Contract	50	10	6	(Lim.)...
				South African
				Investment
				Warrant Finan

JOINT-STOCK BANKS.

Share.	Paid.	London latest Prices	Share.	Paid	London latest Prices	
erman's,	30	25	57	50	12½	10½
London	40	10	5½	100	13	...
ited ...	100	25	29	100	40	43½
pm. ...	100	20	23	100	40	48
n.) ...	40	6	6½	100	25	10
...	40	12½	12½	20	20	21½
...	40	15	11½	50	20	76
poration,	30	5	75	100	19	...
l at £15	40	40	75	50	15	47½
10s. is	40	40	73	20	20	18
...	25	25	3½	100	19	...
...	100	50	142	100	20	20½
ted) ...	20	8	6½	100	17½	17½
Limited	100	25	20½	50	12½	7
(Lim.)	50	7½	5	100	20	64
...	10	10	17	100	25	32½
ustralia	50	25	44	50	10	6½
se(Lim.)	20	10	9	100	20	15½
an ...	50	50	47	100	15	10½
British	20	20	22	100	20	18
...	20	20	28½	50	30	100
India	20	20	28½	50	25	94
Bank	25	25	47	100	10	17
China...	100	50	110	100	43	155½
...	100	25	41	20	12	41½
Canada	20	20	...	20	20	41
f India	25	25	16½	10	1	4
(Lim.)	10	4	10½	10	1	...
...	100	25	19	20	7½	11
...	100	15	...	25	25	52½
...	50	5	5½	50	7½	4½
...	20	5	4½	50	10	6½
(Lim.)	25	10	12½	100	25	87
and Aus-	20	20	20½	10	10	...
ank	50	20	16	20	10	6½
(Lim.)	50	15	11½	25	25	35½
ted) ...	100	25	17	100	25	17½
Japan,	100	25	17	100	10	6
2 pm.	100	20	13	25	25	53
...	100	20	20½	100	22	17
...	20	10	15½	50	15	52½
...	25	25	27	...	...	...
...	25	5	5	...	...	...
f India	20	4	4½	...	...	...
London Bank of Mexico and South America (Limited)			London Bank of Scotland (Lim.)			
London and Brazilian Bank			London, Buenos Ayres and River Plate, Limited			
Ditto, New, issued at 1½ pm.			London Chartered of Australia			
London and County Bank			London, Hamburg, Cont. Exchange (Lim.)			
London Joint Stock Bank			London & South African Bk.			
London & South Western (Limited)			Ditto, ditto, New			
London and Venezuela (Lim.)			London & Westminster Bank			
Merchant Bank (Limited)			Mercantile Bank (Limited)			
Mercantile Exchange (Lim.)			Metropolitan and Provincial Bank, Limited			
Ditto, New			Midland Bank (Limited)			
National of Liverpool (Lim.)			National Bank			
National Provincial Bank of England			Ditto, New			
Ditto, 2d and 3d issues			New South Wales			
New Zealand Bank Corporation (Limited)			Ditto, New			
North Western			Oriental Bank			
Provincia Banking Corporation			Ditto, ditto			
Provincial Bank of Ireland			Ditto New			
Scinde, Punjab and Delhi (Limited)			South Australian			
Ditto, issued at 2 pm.			Standard of British Africa (Limited)			
Do. New, issued at 6 pm.			Union Bank of Australia			
Union Bank of Ireland, Lim.			Union Bank of London			

Bank of England We

Account, pursuant to the Act 7th and 8th of Victoria, ca

ISSUE DEPARTM

	1865. June 28.	1864. July
	£	£
Notes issued	30,072,935	29,774,000
Government debt	11,015,100	11,015,100
Other securities	3,631,900	3,631,900
Gold coin and bullion	15,422,935	15,122,935
Silver bullion		
	30,072,935	29,774,000

BANKING DEPART

	1865. June 18.	1864. July
	£	£
Proprietors' capital	14,553,000	14,553,000
Reserve	3,231,000	3,231,000
Public deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	10,437,954	9,313,000
Other Deposits	13,724,198	14,413,000
Seven day and other bills	451,710	490,000
	44,417,921	42,130,000
Government Securities (including Dead Weight Annuities)	10,480,025	10,390,000
Other Securities	22,086,075	23,220,000
Notes	8,947,140	7,550,000
Gold and Silver coin	944,631	944,631
	42,447,921	42,130,000

THE EXCHANGE

	June 30.	July
Amsterdam, short	11 18	11
Ditto 3 months	11 18½	12
Rotterdam, ditto	11 18½	12
Antwerp, ditto	25 45	25
Brussels, ditto	25 45	25
Hamburg, ditto	13 8½	13
Paris, short	25 2½	25
Paris, 3 months	25 4½	25
Marseilles, ditto	25 45	25
Frankfort, ditto	120½	120
Vienna, ditto	11 20	11
Trieste, ditto	11 22½	11
Petersburgh, ditto	31½	31½
Madrid, ditto	48	48
Cadiz, ditto	48½	48½
Leghorn, ditto	25 55	25 55
Milan	25 55	25 55
Genoa, ditto	25 55	25 55
Naples, ditto	25 55	25 55
Palermo, ditto	25 55	25 55
Messina, ditto	25 55	25 55
Lisbon	51½	51½
Oporto	51½	51½

PRICES OF BULL

	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard)	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 4 1
Silver in Bars (Standard)	0 0 0	0 5 1

Bankers' Weekly Circulation Returns.

the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		June 3.	June 10.	June 17.	June 24.
	£	£	£	£	£
Bank	11,845	12,140	11,786	11,012	11,179
Old Bank	48,461	20,765	20,713	21,939	21,994
Biggleswade Bank	37,225	16,740	16,061	14,863	14,929
Bank	17,182	3,595	3,578	3,570	3,405
Bank	34,218	26,144	25,280	25,276	26,997
Oxfordshire Bank	27,090	15,186	15,866	15,540	15,335
Claypons and Co.	75,069	70,317	67,919	67,130	72,191
Gee and Co.	15,161	14,189	14,019	14,276	13,415
Bank	10,028	6,785	6,900	6,845	6,850
Bank	48,277	18,340	18,045	18,188	18,176
Bridgnorth Bank	26,717	13,467	14,016	15,103	15,282
Bank	29,557	18,031	18,244	18,248	18,161
Folk Bank	82,362	47,446	46,929	46,460	47,913
Bank	43,457	24,009	24,081	25,142	26,035
Bank	55,153	19,621	19,700	19,726	19,538
Leighton Buzzard Bk.	36,829	33,118	33,777	33,910	33,515
Bk.—Lloyds & Co.	38,816	4,427	3,812	3,415	3,024
Bank	68,271	46,243	45,758	43,787	42,915
Bank	33,794	18,427	17,912	16,546	16,957
and Driffield Bank	12,745	11,428	11,287	11,689	11,759
Mund's Bank	3,201	3,062	3,055	2,876	2,985
Bk.—Mortlock & Co.	25,744	11,731	11,954	12,466	12,686
and Cambridgeshire Bk.	49,916	40,712	39,957	39,758	38,179
Bank	31,671	26,261	26,153	26,128	25,855
Bank	23,597	14,843	14,904	15,143	14,577
Bank	3,436	3,040	3,073	2,807	2,836
Bank	25,082	17,987	17,836	17,646	17,375
and Essex Bank	48,704	30,075	29,866	29,040	28,480
Bank—Tweedy & Co.	49,869	25,986	26,425	24,210	24,471
Bank	12,045	3,995	3,693	4,401	4,516
Exeter	21,527	25,819	14,975	14,345	13,850
Bank—Alcocks & Co.	77,154	68,870	68,860	68,715	66,885
Old Bank	9,387	7,538	7,468	7,153	7,877
Bank—Messrs. Evans & Co.	13,332	9,539	9,928	8,926	8,797
Bank—Smith and Co.	41,304	30,030	28,792	27,461	25,354
Bank	27,237	25,569	26,043	26,080	25,578
Wiltshire Bank	20,674	6,026	6,031	5,976	5,930
Bank	10,657	10,226	10,058	10,062	10,179
Bank and Retford Bank	77,400	63,349	63,807	65,444	65,586
Bank	86,218	78,977	81,945	80,029	81,147
Bank	10,664	6,271	6,102	5,606	5,472
Old Bank	48,807	36,980	35,482	34,515	34,309
Bank—Robins & Co.	112,280	77,095	76,501	75,005	73,804
Bank—Bower & Co.	53,392	51,521	50,939	50,852	51,777
& Bishop's Stortford Bk.	69,637	38,610	38,985	38,363	37,794
Bank	37,894	19,469	19,254	19,215	18,994
Bank	14,202	5,901	5,564	5,473	5,499
Bank	6,681	5,805	5,374	5,182	5,003
Bank	6,322	4,497	4,270	4,144	4,441
Bank	14,524	10,745	10,276	10,272	10,647
Bank—Hardy and Co.	30,372	24,945	24,684	24,229	23,840
Ingston-upon-Hull Bank	19,979	17,283	17,596	17,128	17,188
on Town & County Bank	56,591	33,510	32,862	32,173	31,430
Bank	5,778	4,863	4,790	5,151	4,755
Bank—Hitchin Bank	38,764	32,909	33,602	33,389	33,092
Bank	21,901	17,442	17,507	17,334	17,220

NAME OF BANK.	Authorized Issue.
	£
57 Ipswich & Needham Market Bank	80,699
58 Kentish Bank—Mercer & Co. ...	19,895
59 Kingston and Radnorshire Bank...	20,050
60 Knaresborough Old Bank	21,825
61 Kendal Bank	44,665
62 Loughton Staffordshire Bank	5,624
63 Leeds Bank	53,357
64 Leeds Union Bank	37,459
65 Leicester Bank	32,322
66 Lewes Old Bank	44,836
67 Lincoln Bank	100,342
68 Llandoverly Bank & Llandilo Bank	32,945
69 Loughborough Bank	7,359
70 Lymington Bank	5,038
71 Lynn Regis and Lincolnshire Bank	42,817
72 Lynn Regis and Norfolk Bank ...	13,917
73 Macclesfield Bank	15,760
74 Manningtree Bank	7,692
75 Merionethshire Bank	10,906
76 Miners' Bank	18,688
77 Monmouthshire Agricultural and Commercial Bank	29,335
78 Monmouth Old Bank	16,385
79 Newark Bank	28,788
80 Newark and Sleaford Bank	51,615
81 Newbury Bank	36,787
82 Newmarket Bank	23,098
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671
84 Norwich and Norfolk Bank	105,519
85 Nottingham & Nottinghamshire Bk.	10,861
86 Naval Bank, Plymouth	27,321
87 New Sarum Bk.—Pinckneys, Bros.	15,659
88 Nottingham Bank	31,047
89 Oswestry Bank	18,471
90 Oxford Old Bank	34,391
91 Old Bank, Tonbridge	13,183
92 Oxfordshire Witney Bank	11,852
93 Pease's Old Bank, Hull	48,807
94 Penzance Bank	11,405
95 Pembrokeshire Bank	12,910
96 Reading Bank—Simonds & Co. ...	37,519
97 Reading Bk.—Stephens, Blandy & Co.	43,271
98 Richmond Bank, Yorkshire	6,889
99 Rochdale Bank	5,590
100 Royston Bank	16,393
101 Rugby Bank	17,250
102 Rye Bank	29,864
103 Saffron Walden & North Essex Bk.	47,646
104 Salop Bank	22,338
105 Scarborough Old Bank	24,813
106 Shrewsbury Old Bank	43,191
107 Sittingbourne and Milton Bank ..	4,789
108 Southampton Town & County Bk.	18,589
109 Southwell Bank	14,744
110 Southampton and Hampshire Bk.	6,770
111 Stafford Old Bank	14,166
112 Stamford and Rutland Bank	31,858
113 Shrewsbury and Welsh Pool Bank	25,336
114 Taunton Bank	29,799
115 Tavistock Bank	13,421

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		June 3.	June 10.	June 17.	June 24.
	£	£	£	£	£
y Bank	10,026	7,603	7,378	7,480	7,610
nd Devonshire Bank...	13,470	9,688	9,190	8,851	9,066
e and Kettering Bank..	11,559	11,189	11,646	11,675	11,131
k and Chesham Bank..	13,531	12,717	12,494	12,701	13,113
Old Bank	10,801	6,151	6,048	5,886	5,884
ok, Cornwall	17,003	13,913	14,013	13,089	13,148
Old Bank	25,136	7,810	7,728	8,172	8,168
rd Bank	17,064	5,218	5,158	5,111	5,354
nd Warwickshire Bank	30,504	16,572	16,185	16,352	15,727
a Bank, Somerset	6,528	1,835	1,873	1,955	2,541
ng Bank	46,158	40,401	41,269	40,182	38,047
nd Bank	14,258	13,805	14,013	14,114	13,740
r, Alresford & Alton Bk.	25,892	9,210	9,268	10,032	10,341
Old Bank	16,461	15,476	14,145	13,631	13,130
h and Derbyshire Bk.	37,602	35,162	35,473	34,573	34,703
and Lincolnshire Bank	59,713	36,732	36,825	36,555	37,892
be Bank	7,602	4,125	3,714	3,575	3,393
Old Bank	87,448	44,268	46,001	45,083	45,356
. Bk.—R. & W. Fryer	11,867	7,315	8,209	8,345	8,511
and Suffolk Bank	53,066	35,680	36,586	36,155	35,630
Norfolk, & Suffolk Bk.	13,229	7,893	7,428	7,548	7,338
.....	46,387	40,031	38,808	37,812	36,002

JOINT STOCK BANKS.

estmorland	12,225	12,046	11,925	11,791	11,942
anking Company	9,563	8,605	8,169	8,155	8,725
anking Company	49,292	46,953	46,801	47,197	46,710
iet Banking Company	9,418	7,604	8,192	7,737	8,493
ithaven	32,681	29,499	30,792	30,055	28,879
mmercial Banking Co.	20,084	19,841	20,282	20,300	19,735
xeter, and Staffordshire					
anking Co.	60,701	51,460	49,340	49,545	46,943
& N. Derbysh Bk. Co.	10,421	9,495	9,590	10,266	10,330
Union Banking Co. ..	35,395	35,384	35,985	35,992	33,392
Warwickshire Bk. Co.	28,714	13,845	13,255	13,068	13,209
ion Banking Company	16,25	12,125	12,015	12,520	11,835
oucester Banking Co.	144,352	96,044	95,806	93,666	93,671
nterland Banking Co.	25,610	25,480	25,070	26,169	25,496
and District Bank ..	19,972	20,001	19,414	20,093	19,787
est Bromwich Bk. Co.	37,696	24,521	25,167	24,041	23,953
erbyshire Banking Co.	20,091	18,983	19,173	19,771	19,244
Dist. Joint Stock Bk. Co.	26,134	21,743	23,499	26,360	27,512
ire Banking Company	155,920	135,292	134,144	134,295	136,089
t Stock Bank	18,534	16,489	16,005	16,200	16,175
Banking Company ..	37,354	31,170	31,109	33,421	34,067
g Company	29,333	29,770	30,872	27,364	27,502
mercial Banking Co. ..	13,733	12,712	12,456	12,718	13,470
uddersfield Union Bk.	44,137	32,097	31,720	32,309	33,180
anking Company	1,503	1,513	1,509	1,484	1,485
gh and Claro Bk. Co.	28,059	25,745	26,436	27,459	27,970
anking Company	64,311	59,713	58,031	55,519	53,069
e Banking Company ..	86,060	59,004	57,292	58,352	56,294
Lindsey Banking Co.	51,620	41,337	44,475	47,484	48,577
Priors and Warwick-					
anking Co.	13,875	9,563	9,059	8,611	8,585
Tenbury Bank	10,215	9,283	8,999	9,012	9,190
inson's Notts. Bank..	35,813	27,187	27,855	26,324	27,831
and Notts. Banking Co.	29,477	26,085	25,565	25,059	24,197
vincial Bk. of England	142,371	121,584	118,710	112,227	111,894
Banking Company ..	63,939	38,539	38,085	37,958	38,604

NAME OF BANK.		Authorized Issue.
		£
35	Northamptonshire Union Bank ...	84,356
36	Northamptonshire Banking Co. ...	26,401
37	North and South Wales Bank.....	63,951
38	Pare's Leicestershire Banking Co....	59,300
39	Saddleworth Banking Company ...	8,122
40	Sheffield Banking Company.....	35,841
41	Stamford, Spalding & Boston Bk. Co.	55,721
42	Stuckey's Banking Company	356,976
43	Shropshire Banking Company.....	47,951
44	Stourbridge and Kidderminster Bk.	56,830
45	Sheffield and Hallamshire Bank ...	23,524
46	Sheffield & Rotherham Jt. Stock Bk.	52,496
47	Swaledale and Wensleydale Bank..	54,372
48	Wolverhampton & Staffordsh. Bk..	35,378
49	Wakefield and Barnsley Union Bk.	14,604
50	Whitehaven Joint Stock Bank ...	31,916
51	Warwick and Leamington Bk. Co.	37,124
52	West of Eng. & S. Wales District Bk	83,515
53	Wilts & Dorset Banking Company	76,162
54	West Riding Union Banking Co....	34,029
55	Whitchurch and Ellesmere Bk. Co.	7,475
56	Worcester City and County Bk. Co.	6,848
57	York Union Banking Company ...	71,240
58	York City and County Banking Co.	94,695
59	Yorkshire Banking Company	122,532

Irish and Scotch Circulation

Average Circulation, and Coin held by the Irish Banks
weeks ending Saturday, the 24th

IRISH BANKS

NAME OF BANK.	Authorized Circulation.	Average
		£'s and upwards
	£	£
Bank of Ireland	3,738,428	1,544,400
Provincial Bank of Ireland	927,667	389,200
Belfast Bank	281,611	130,400
Northern Bank	243,440	102,600
Ulster Bank.....	311,075	162,400
The National Bank.....	852,264	627,000
TOTALS (Irish Banks) ...	6,354,494	2,957,000

SCOTCH BANKS

Bank of Scotland	300,485	180,200
Royal Bank of Scotland ...	216,451	223,700
British Linen Company	438,024	189,800
Commercial Bk. of Scotland	374,880	199,600
National Bank of Scotland..	297,024	173,800
Union Bank of Scotland ...	454,346	210,100
Aberdeen Town and Co. Bk.	70,133	75,500
North of Scotland Bk. Co....	154,319	128,000
Clydesdale Banking Co. ...	274,321	138,600
City of Glasgow Bank	72,921	131,200
Chieftonian Banking Co. ...	53,434	25,400
Central Bank of Scotland...	42,933	27,700
TOTALS (Scotch Banks)...	2,749,271	1,704,200

CIRCULATION RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	June 3.	June 10.	June 17.	June 24.
Banks	£4,189,091	£2,893,824	£2,899,773	£2,805,082	£2,934,411
Joint-Stock Banks ...	3,246,357	2,757,699	2,755,517	2,739,502	2,735,630
Totals	7,435,448	5,651,523	5,645,290	5,544,589	5,670,041

Circulation of these Banks for

June 24th:—

...	£2,896,772
...	2,747,083

Circulation of Private

Banks ending as

...	£5,613,860
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of the above with the Returns

for May 27th last, it shows:—

Notes of Private	£103,774
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Notes of Joint-Stock	100,783
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for the month...	£201,537
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And as compared with the month ending

June 25th, 1861, it shows:—

A decrease in the notes of Private	
Banks, of ...	£191,026

A decrease in the notes of Joint-Stock	
Banks, of ...	91,554

Total decrease, as compared with the

same period of last year ... £276,180

The following is the comparative state of the

circulation as regards the fixed issues:—

The Private Banks are below their

fixed issues ... £1,292,319

The Joint-Stock Banks are below their

fixed issues ... 470,269

Total below their fixed issues ... £1,771,538

CIRCULATION RETURNS TO JUNE 24, 1865.

Circulation of the Irish and Scotch Banks at the four weeks ending June 24th, 1865, give the following as compared with the circulation of these Banks at the same period last year, viz.:—

of the Irish Banks	£5,782,299
of the Scotch Banks	4,557,798

of the Scotch Banks	4,557,798
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of the Scotch Banks	4,557,798
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of the Scotch Banks	4,557,798
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of the Scotch Banks	4,557,798
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of the Scotch Banks	4,557,798
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The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue ..	£6,351,494
12 Banks in Scotland, allowed to issue ..	2,739,271

18 Banks in all, allowed to issue	£9,103,765
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The following appears, therefore, to be the

comparative state of the circulation:—

Irish Banks are below their fixed issue £292,282

Scotch Banks are above their fixed issue 1,803,435

Total above the fixed issue	£1,216,149
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The amounts of Gold and Silver held at the

head offices of the several banks, during the past

month, have been as follows:—

Gold and Silver held by the Irish Banks £2,076,491

Gold and Silver held by the Scotch Banks 2,490,749

Total of Gold and Silver Coin	£4,567,150
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Being a decrease of £24,415 on the part of the

Irish Banks, and a decrease of £1,449 on the

part of the Scotch Banks, on the several amounts

held by them during the preceding month.

CIRCULATION RETURNS OF THE UNITED KINGDOM TO JUNE 24, 1865.

The state of the Note Circulation of the United Kingdom for the month ending

for the Month ending 24th June, as compared with the previous month:—

	May 27.	June 24.	Increase.	Decrease.
Month ending June 21)	£21,251,547	£20,877,112	—	£374,435
...	3,000,548	2,896,772	—	103,774
...	2,947,871	2,747,083	—	100,783
...	27,089,961	26,520,972	—	578,992
...	4,596,951	4,557,798	—	39,153
...	6,930,489	6,762,209	—	168,241
...	£37,627,361	£36,840,888	—	786,478

of the month ending June 25th, 1861, with the month ending June 24th, 1865,

the Bank of England circulation of £512,078, a decrease in Private Banks of

£235,898; being a total increase in England of £235,898; and in Ireland an increase of £261,291. Thus

the month ending 24th June, as compared with the same period last year, presents an

increase in England, and an increase of £544,862 in the United Kingdom.

The Bank of England, for the month ending June 21st, gives an

increase of £16,000,921. On a comparison of this with the Return for

the month ending 24th, there appears to be an increase of £1,043,607; and an increase of £1,530,132

on the same period last year.

The Bank of Scotland and Ireland during the month ending 24th

June, give a decrease of £32,864 as compared with the Return of the previous

month, and an increase of £130,253 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 28th June to 28th July, 1865, inclusive.

	28	29	30	1	3	4	5	6	7	8	10	11	12	13	14	15	17	18	19	20	21	22	24	25	26	27	28
Bank Stock, 5½ per cent, last half-year	249	249	249	249	350	249	248	249	249	249	248	248	...	247½	218	248	216	248	248	...	248	217	216	247	246	246	248
3 per Cent. Reduced Annuities ...	89	89	89	89	89	89	89	89	89	89	148½	248	...	...	...	...	...	...	...	...	248	89	89	89	89	89	89
3 per Cent. Consols Annuities ...	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
Ditto ditto for account July 6	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
Ditto ditto Aug. 8	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
New 3 per Cent. ...	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
New 3½ per Cent. ...	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
New 4 per Cent. ...	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
New 5 per Cent. ...	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
Annuities for 30 years ...	108½	108½	108½	108½	71½	72	...	...	...	...	...	72	...	...	...	...	72½	73	...	...	...	108½	...	...	71½	...	105
Ditto 30 years ...	...	...	...	...	...	...	...	...	...	...	...	...	...	14½	14½	...	...	...	...	...	...	...	215	14½	14½	...	14½
Ditto (Red Sea Telegraph) Aug 1885	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	19½	...	...	...	...	...	...
Ditto (India Stock, 104 per cent, April, 1874...	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½	104½
Ditto 4 " " Oct., 1888...	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½	89½
Ditto Encased Paper, 4 per cent,	101½	102½	101½	102½	109	108½	110	108½	108½	108½	108½	108½	108½	102½	102	110½	104	104	104	102½	89	89	108½	108½	108½	108½	108½
Ditto ditto 5½ " "	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	102½	102½	108½	108½	108½	108½	108½	108½
Ditto Loan Debentures, 1864	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	108½	108½	108½	108½	108½	108½
Ditto ditto 1866	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	108½	108½	108½	108½	108½	108½
Ditto Bonds £1,000 (div. 5 per cent.)	179	179	179	179	100½	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Ditto under £1,000	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...	...
Exchequer Bills £1,000, 3 & 3½ per cent.	49	49	49	49	189p 21p	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49
Ditto ditto £500	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49
Ditto ditto £100 & 200 "	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49	49

THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

SEPTEMBER, 1865.

STOCK EXCHANGE ADMINISTRATION.

It is only natural that the investing public should take a lively interest in the action of the Stock Exchange Committee. A quotation in the official lists may be no guarantee for the soundness of an undertaking, but it is a certificate which to some extent vouches the *bona fides* of promoters and managing directors. It shows that certain conditions have been fulfilled, certain preliminaries observed, and certain hostages given, by those inspiring genii who fingered the promotion money, published the prospectus, and settled the basis of the company. It tells us that the capital subscribed is ostensibly at least in a certain ratio to the entire amount required. It assures creditors that a fair proportion of the ten or twenty thousand shares into which the capital is divided have been taken up. It keeps the company's name before the eyes of every man who looks at the money article, and it tempts timid speculators and wary investors, because of the greater facility of realisation which recognition by the magnates of Capel Court undoubtedly affords. Nor can it be said that the powers of the Stock Exchange Committee are often exercised otherwise than wisely and well. Indeed, if their conduct were continually or frequently open to reproach, they would not long remain invested with their quasi-judicial functions. The public are not so fond of irresponsible authority as to endure continued control of important interests by men whose *bona fides* was not above suspicion. John Bull is constitutionally impatient of unreasonable restraints and doubtful dealings, nor does he become at all more submissive when the restraints are imposed upon his mercantile

transactions, and the dealings injuriously affect his breeches pockets. To say, therefore, that he allows a self-elected and irresponsible body to meddle with his investments, is to say in effect that in this, as in many other English institutions, efficiency in practice atones for deficiency in theory. The rules of the Stock Exchange may be arbitrary, but their operation is in the main salutary. The constitution of the committee may be bad in principle, but its operation is found to be highly beneficial in working.

Of late, however, there have been symptoms of considerable dissatisfaction with this state of things. The committee is apt to be somewhat capricious in its manner of dealing with matters coming under its cognizance. Existing professedly for the benefit and protection of the public, it appears now and then to lose sight of its proper objects, and to act as if the interests of jobbers and speculators were its chief concern. A company is formed to work a promising speculation, or take over an established business. It passes through the ordinary stages of development, and progresses with greater or less rapidity to complete organization. It comes into the world a crude conception, upon which hardly any one will bestow a second thought. It is "taken up" by some plausible promoter, or skilful secretary, by whom a board of directors is got together. Its advantages are set forth in a flowery prospectus, and detailed at length in newspaper advertisements, which generally wind up with circumstantial information about the last day at which applications for shares can be received. Trusting to the promises made by the "good men" on the direction, investors flock to the bank where deposits are to be paid. In due course we hear that applications have been received for from two to tenfold as many shares as can be issued, so that a very large number of would-be shareholders will inevitably be disappointed. Up go the yet unissued shares, like so many sky rockets: for a few days they figure in the list of new undertakings at tempting premiums; those who previously had feared to tread, rush rashly not to say madly, in; stock brokers, jobbers, and people with friends at court, make a handsome profit, and the outside world, whose avidity has made the knowing ones' opportunities await with redundant confidence the special settling day which shall entitle their pet scheme to a regular quotation. But sometimes the event proves their confidence misplaced, their anticipations delusive. The committee of the Stock Exchange puts on its "hose severe and beard of formal cut." It brings out its wise saws and makes the new company a model instance. It discovers some oft overlooked infringement of its

own rules, some change in the articles of association, which, in its judgment at least, constitutes a "material variance" from the statements of the prospectus. The result is a refusal of the quotation; which is followed, as a necessary consequence, by an immediate and inordinate depreciation in the value of the shares. The wise men on 'Change shake their heads knowingly; the foolish outsiders gnash their teeth despairingly. The rapid rise is followed by a fearful fall, and all manner of hard things are said about directors, share brokers, stock jobbers, and everybody else who has anything to do with joint-stock companies.

It will, perhaps, be said that we are complaining without reason. We shall be told that the refusal of a quotation is an act of public duty, for performing which the Stock Exchange Committee are entitled rather to great praise than to small censure. We reply, that the action of the committee is too late in time and too uncertain in instance to meet the complaint we are now making. Not until the applications have been sent in, and the letters of allotment issued, do the public know of the fatal flaw in the venture which induces those who regulate the destiny of nascent companies to pass a sentence of financial ostracism. Nay, more; it is undeniable that the secrets of the prison house are not particularly well kept, and that the course which the committee will take with reference to any particular scheme is known to the speculating few long before it is announced to the investing many. The consequence is that the former class have a start of some days, in a race whose every hour may be worth some thousands—thousands, be it remembered, which come out of the pockets of those whose only fault has been an excessive confidence in the integrity and straightforwardness of men whose fortune and position ought to render them above suspicion. It would be easy for us to cite cases in which a quotation has been accorded to projects rotten as tinder, and refused to others as sound as an acorn; in which the committee's error of judgment has lured honest men to their ruin, while in others their capricious or incautious exercise of their powers has cast undeserved discredit upon projects of unquestionable excellence and value. Our object, however, is not to peak of particular instances, but to assert a general principle. We seek not to condemn the committee because they have occasionally erred, but we desire, by reminding them of the importance of their duties, to prevent the necessity of future misadversion. Regard for the interests of the public is the only plea which can be urged for the maintenance of a tribunal so anomalous as the Stock Exchange Committee. A court which elects its own members, frames its own rules, exercises authority

of its own mere motion, absolves whom it will, and condemns whom it pleases, had need take especial and particular care lest its decisions should invite censure or provoke "the fury of malignant criticism." And if this be true universally, it is especially significant when the members of such a tribunal are individually supposed to benefit by the practices which collectively they condemn; when the relations between the judges and the public are such as in some degree at least to warrant the insinuation that private interest rather than public virtue may have prompted an act of discipline, or occasioned an exercise of severity. For our own part we should be sorry to impute unworthy motives or incautious action to the members of the Stock Exchange Committee. Many, indeed most, of its members, we personally know, and, with scarcely an exception, those we know we highly esteem. But we cannot shut our eyes to the fact that the public in general have not the intimate acquaintance with them which it is our privilege to enjoy. They see only the external surface of things. They see that while a quotation is freely recorded to some undertakings which they consider questionable, it is sternly denied to others which they regard as *bonâ fide* and commendable. They know that the refusal of a quotation in the latter case inures to their own loss, and that in the former it results in great gains to those whose hands the power of granting or refusing the advantages of such a quotation has been lodged. It would be well for the members of the committee to consider these things. Whatever be the immediate source of Stock Exchange prosperity, its first and greatest and most enduring cause must be the confidence of the public. If this be once forfeited, the charmers of Capital Court will try their arts in vain. They may pipe, but their subscribing and investing playmates will not dance. They may, like the syrens, sing their sweetest songs, but the investor, like another Ulysses, will stop his ears, and the syrens will sing in vain. In their own interest, therefore, no less than from regard to commercial morality, we ask the Stock Exchange Committee to ponder well what schemes they endorse, and what they condemn. Of late they have in a measure laid themselves open to the imputation of praising without cause, and condemning without excuse. We trust they will in future be more careful. Let them express their disapproval of Stock Exchange manoeuvres at a time when their opinion will be beneficial to the public, and let them not withhold their countenance from an honest and promising concern, from any regard to the interest of speculators for a fall. If they act thus, the public will continue to trust and to confide in their discretion, but if they take

any less straightforward course, their dereliction will not un-naturally be followed by a corresponding estrangement between investors and themselves. In the long run they will find that attention to the interests of the former is the best way to secure the prosperity of the latter. Let them be especially careful not to give any ground for suspicion that they have been capricious and unreasonable in refusing recognition, but when they do this let their discretion be exercised early enough to make the penalty fall upon the speculators, and not upon the *bonâ fide* investors.

A PRACTICAL SUGGESTION FOR FACILITATING THE
OPERATIONS OF THE CLEARING HOUSE, AND LESSENING
THE RISK AND TROUBLE OF COUNTRY BANKERS.

A VERY considerable part of the articles passing through the Clearing House consists of cheques and bills remitted by country bankers to their London agents. These articles ought to reach the Clearing House either in the "morning clearing" or very early in the "afternoon clearing." Unless they do so they interfere with and delay the London business, which flows in with great rapidity after 2 or 2.30 p.m. The bills from the country, however, and day by day an increasing number of cheques and warrants, &c., drawn "to order," come to the London bankers specially endorsed, and therefore have to be sorted and resorted for endorsement by the London banker in the busiest part of the day, and again sorted for the clearing after the endorsement is obtained. It will be easily understood that under such circumstances delay is often inevitable, and that such delay creates inconvenience in the clearing.

This is an evil which must grow. The trade of the country is larger every year, and of course leads to the circulation of more bills and cheques; and as regards cheques a greater proportion are *specially endorsed* whenever they form the subject of remittance.

At the other end of the chain the country banker has also *specially* to endorse over to his London correspondent the articles remitted, and he has mostly to do this at a time of the day when he is in the midst of correspondence, or some other equally important part of his duties.

The endorsement of these bills and cheques is in reality pure form. The Country and the London banker hold them merely

for collection. They have no speediest attainment of that end.

Is it then possible to suggest two things, viz. :—

(1.) Provide the security of poses of transmission through dispense with the delay of proc sending and receiving bankers.

(2.) Expedite the delivery “morning clearing,” and there London business later in the da

We believe it to be quite pos not merely to suggest it, but to which has been in successful op several years.

Some years ago one of the la English joint-stock banks adopt

Upon all bills, cheques, warr agent for collection, they ma following endorsement :—

Remitted from the _____

Banking Com _____

to the _____

This endorsement, of cours effectually prevents the bill or improper hands ; for no prude any article so marked except to of it in London—and, in point that the plan has been in actus difficulty of any kind has occur not merely a suggestion, but t practice on the part of a large

If it be said that to discon the London remittances would having before him a class of in tions, the answer is ready, viz. mechanical labour of executi give to the banker a real opp

over carefully and scanning them on both sides. And the same remark applies to the receiving banker in London.

It is inevitable that in the growing necessity for expedition and despatch in every direction, and for every purpose, all mere mechanical work must be abridged more and more. In France, the public functionaries are justly described as "machines of signature,"—so vast and indiscriminate is the rage for autograph signatures to the most common-place documents. This is a mistake which, of all people, bankers are most interested in avoiding. One of the chief objects of the organisation of a banking office should be to increase the means of observation and supervision on the part of the principals, by relieving them as far as possible of all mechanical labour that can be safely dispensed with.

And we believe that in bringing before our readers the facts stated in this paper we have done something towards promoting this most desirable end.

THE FACILITIES OF BANKING.

WHEN the mania for multiplying banking establishments was at its height, we ventured to express our apprehensions lest it should result in a redundant supply of banking accommodation. We showed that the marvellously high dividends paid by the London and Westminster, the Union, and similar joint-stock concerns, were due to circumstances of an exceptionally favourable character, upon which no new company could reckon, and we expressed our fears lest the promulgation of fresh schemes, at the rate of two or three a week, should occasion an excessive and dangerous competition in a business which especially requires a constant exercise of caution. For a while it seemed as if our warnings were unneeded. The new banks rejoiced in abounding business, and their shareholders in liberal dividends; the original capital was usually found inadequate, and new shares issued at high premiums were not only placed without difficulty, but sought with inordinate avidity. The quotations of many newly-launched banking companies were absurdly high; yet their momentary prosperity was supposed to be only the presage of a yet more golden future, and amidst the jubulations of those who thought profits of twenty and thirty per cent. were to be their ordinary remuneration, our less sanguine anticipations were almost entirely disregarded.

We have not had to wait very long for the verification of our apprehensions. Those who wish to see how far we were justi-

fied in uttering them may make a share list of to-day and of twelve five or six premium to eight or common, and even where shares have there has been a great and almost one bank we could name the fall premium, and were we to go through to a multitude of similar instances so impressive and practical sermon on expectations. The golden dream has It has been found that the early great to be beneficial. The new carcasses round which the eagles go instinct of their species. Firms, w than solid, engaged in operations hastening to avail themselves of the modulation which limited liability and provided for their especial benefit. opportunity traders of this class so failure, but in the end they left t with heavy bad debts and heaps of extent this evil may have wrought. In many cases, we know, open credit houses of doubtful character have lations or suspend their payments. indications to prove that the mischief banking, as in other businesses, take the greatest risks. Something customers, and a banker can do increase the fatal facility of credit the Unity, the Northumberland a score of other bankrupt establishments entirely upon this utterly unsound. In some cases, because good accounts others, as it appeared, from pure dangerous chances, a number of stricted liberty to play with the bank's resources. We hope that not to imitate the sublime folly of these we need only refer to a case heard at Court, during the last month, to tempt fortune has not yet died directorial bosoms. The Birmingham appeared as prosecutor of two men, conspired together to defraud the bank

of money. Of course we know nothing more of the facts than is detailed in the ordinary channels of public information, and, therefore, whatever we say, whether of the bank or of the prisoners, must be taken subject to such explanations as may hereafter be afforded. With this reservation, we remark that the history of the case affords an instructive comment on the risks run by those who depart from recognized rules of business. Mr. Benjamin Taylor, a Birmingham manufacturer, in May last, called to make inquiries about the facilities which the Birmingham Bank afforded. He had at times, "many excellent trade bills," which he was willing to discount with his present prosecutors, inasmuch as he did not like the mode of dealing adopted by a rival company which had hitherto been favoured with his patronage. From the newspaper reports of the proceedings, it seems that the usual preliminary of an introduction through some respectable firm was in this case dispensed with. The prospect of getting a customer whose floating amount would be £4,000 or £5,000, seems to have been sufficient for every purpose. Taylor's account was accepted, and within three weeks, he succeeded in getting nearly £3,000 of the bank's money on bills which it is now asserted are utterly worthless. He obtained this advantage by one of the stalest of stale artifices. He had an associate named Henry Kelly, in London, prodigal in aliases and ubiquitous in residences. With the help of this worthy, he procured or concocted bills, drawn sometimes by forging the signatures of respectable firms; sometimes on persons long ago dead, or removed from the addresses given; sometimes on men of straw, who were paid a few pounds by way of "commission" for writing their names. Had Taylor only gone about his work somewhat moderately he might have kept up the game almost indefinitely. But he frightened the bank too soon by discounting at the rate £1,000 a week. They told him they must decline to take any more of his paper, at which he was virtuously indignant, because "he was most particular as to the persons with whom he did business." But suspicion once aroused, was not be quieted by these assurances. He was taken into custody, and letters were found upon him which at once revealed his *modus operandi*. Kelly, his associate, had assumed the name of Reeves & Co., of Langbourn Chambers, and had ordered goods right and left, referring to Taylor as a guarantee for his respectability. Firms in Liverpool, Manchester, and other places had written to Taylor for this information, and had probably received answers from him which satisfied their scruples. Reeves & Co. dealt in everything from pins to broughams, but whatever they wanted they always gave

the new customer of the Birmingham. And as showing the readiness of the times, there was also found a company, with £100,000 capital, known and rapidly increasing business of Camden Street, Birmingham, and logging manufacturer."

It is only fair to state that Taylor in Birmingham, and that the man be engaged in business there. But for this, the neglect to ask for reference opening an account was a grave oversight of the Birmingham Bank gone to have learned that Taylor already £8,000, and, this fact once known, loss which has since resulted to the seems that the bills bore on their unsatisfactory character that the circumstance alone. The president his astonishment that any bank should the bills, as they were evidently fact, we regret to say, that in this Bank does not appear to have exercised in carrying out financial transactions however, have received a very severe doubt look sharply after reference inquiries into the *status* of customers not wish to speak more harshly of impostories. The mischief is in the indefinite multiplication of competitors rendered each in a measure forgetful of impeachable rules which cannot be the prosperity, or, it may be, even those who disregard them. One of new customer should be properly in the discount accommodation afforded like proportion to the extent of the Taylor's case these precautions seem overlooked. We hope that the attention the Mansion House have directed to the means of checking the further and (financially speaking) vicious s

ON RECENTLY DECEASED BANKS.*

(From a Correspondent.)

ENGLAND has the deserved reputation of moving faster through the channel in which money is to be made, and riches accumulated, than any other country. Our cousins across the Atlantic have shown us bolder feats certainly in the effects produced than we have any wish to lay claim to, but when an amount of speed is attained altogether out of proportion to the means employed, and endangering the safety of all concerned, such operations cannot be allowed to occupy any statistical rank, having broken the bounds of all reason and discretion, are looked upon as mere acts of folly and are unworthy of the attention of scientific investigators. The great disasters which befell the banking speculations in the United States arose, undoubtedly, from their being all allowed, by permission of the local legislatures, an almost unlimited issue of notes. These acts were easily obtained by banks which, upon the discovery of the large profits made by others, spread their notes of all denominations into every corner of the country, the smallest descriptions finding their way into the humble dwellings of the field labourer, who could not be expected to exercise any discretion as to the world. The conditions imposed upon these banks, viz., that their notes should upon all occasions be paid in specie on demand, would have no effect in checking the spread of such paper far beyond even a fair proportion of what might be issued above the specie actually at the disposal of the bank at any time. And as such institutions can never be expected properly to curtail their profits on the score of safety unless their transgressions are severely dealt with by the state—no other result could be looked for than that, upon an occasion of alarm, the paper would flow in, and all who could not gather in their resources would, without doubt, suspend. The changes in the value and total sum issued of the paper money in the United States has exceeded that of any other country at any period of history, and the consequence has been that America has been visited with greater disaster and ruin than any other country. Between 1811 and 1820 195 banks in different parts of the United States became bankrupt, and it is stated by a treasury report, dated 1820, that these failures were productive of greater misery and distress to the lower orders than can be found in any precedent, and all resulting from there being no sufficient check upon the amount of the issues of these banks, and no compulsion on the part of the government that proper inspectors were appointed to watch over the due proportion of specie reserve being maintained.

In 1837 it is stated that all the banks in the United States, without an exception, stopped payment; further crashes taking place in 1839 and 1840.

Various measures were taken to prevent the recurrence of such disasters, by making all the banks pay a half per cent. upon their

* It must be understood that we are not responsible for the opinions of the writer.

capital to a security fund. This was a measure which obliged properly managed institutions to pay for those that were badly managed, and would consequently produce a great deal of opposition, resulting in the measure partly falling through. Some of the banks gave so much of their own stock as security, but this would of necessity be the least worth when it was most wanted, and did not exhibit much sagacity on the part of the suggestors.

Although the failures have been many, and often of a most disgraceful type in England, we have never produced such wholesale ruin and misery as the reckless operations of the American bankers have brought upon the people of the United States.

The stoppages and failures of banks in Great Britain have resulted more from inefficient administration than from any laxity of principle on the part of those who govern their movements. For there can be little doubt that so long as a bank director refrains from any pecuniary obligation to the institution at whose board he has a seat, he will continue to give his counsel and assistance dictated from motives which hold in view the fixing of the establishment with which he is connected upon a firm and honourable basis. Such is quite natural, as every man strives to elevate himself, and will, in consequence, endeavour to raise any institution in whose ranks he may enlist, provided his better judgment may not be warped when he is called upon to vote for a measure that lies across his interests.

We are of opinion that such a condition should be equally imperative with respect to directors as it is with the manager of a bank, that upon no sort of condition whatever shall he be allowed to become indebted to the bank in which he holds office. There can be nothing so injurious to the welfare of an institution which deals in money as for one set of its members to sit in judgment upon the application of the others. The associations of office, the intimacy which may have caused one director to introduce another, will, if not on principle smothered in the bud, lead a man to forget that strict line of duty which must be on all occasions maintained intact and inviolate. If our public institutions are to be administered so that the people of the nation who are strange to the directors may receive that impartiality and unbiased treatment which the present state of civilization and enlightenment of the age we live in demand as their right. The most highly principled and honourable men will give way under an undue pressure; under a pressure the employment of which it is the duty of the community and of the legislature to guard against. A growing familiarity with a loose way of doing business will warp the mind of a man accustomed to shrink at the thought of even favouritism until he comes to view the scaffold with composure.

All the legal preventives which are imposed by a government against the loss of property by the public will prove of little avail when the law may be evaded through the ordinary channels of business, and the capital of a bank disposed of by its administrators for their own purposes.

Upon almost every occasion upon which the failure of a bank has

been publicly investigated, it has been discovered that the failure was not owing to difficult times or crises alone. It has been by the failing energy of those who were willing to have their names associated with it while prosperous, but who forsook it when adversity overtook it. If a director only considers the damage he may produce by leaving an establishment when signs of success are not so encouraging as at the outset, he would pause before he took such a step. Is it at all possible that every contribution of men and material must be certain beyond a question to succeed? Can every institution which is commenced on a large scale, and consequently to ensure success must make a large profit, be certain to answer? The warmth of a director is exhibited more by his refusing to join a board of a new company than by his best exertions when there to bring success to an undertaking when there is not room for it. The large number of banks that have covered our newspapers with their prospectuses has, long ago, absorbed all the bank directors. There came a demand for an article, but at so short a notice there could be no adequate supply. Do the average of bank directors know really what their attainments should be in order to qualify them to direct the operations of an institution involving the most complex principles?

The banking which took its rise in London in the seventeenth century, through the goldsmiths, has gradually changed and carried revolutions into all the dealings between man and man, and has connected one country with another until the real principles of banking have expanded from the simple operations of a person who took charge of sums of money for the public, into a huge commercial engine which can negotiate the sale of an empire, or lend the money of the public in the country where it is established for the relief of another country beyond the seas; and yet, when administered as it can be, is able to return to all their due, and when promised.

A bank which is established upon legitimate principles should be in a position to return the whole of its debts to the public, including the paid-up capital, at six months' notice. The further a banking or financial institution recedes from this point, the nearer it places itself to a suspension of payments when the pressure comes.

It must undeniably be a very hard case for a body of directors to refuse a business that will lock up £100,000 for nine months, because such a loan would cause inconvenience were the funds required before it fell due; and particularly if at the time large funds were in their hands unemployed. But let me ask, is the principle which would cause them to refuse such business, in a time when they could lend the same sum upon the same conditions for three months, to be disregarded, when they had much to lend, and when a departure from such principle endangered the position of the public depositors? In many undertakings there is never any certainty that a crash will not happen; but with banks, who can set aside jealousies and adopt a system of co-operation, there is always, under a wise administration, a certainty that there can be no crash. Without a strict obedience

to the premonitory symptoms which for money unfailingly exhibit, those affected by such causes must get them. In the hurry and excitement of business these forewarnings are not taken due notice of, but it is particularly that the public has a right to know, and managers shall give their unceasing

The endless ramifications through which the market is to be traced, and the vigilance which is required in order to keep pace with all the produce of the earth, wears out the mind. I do not find a somewhat congenial position in view the results that will infallibly follow the approach of dangerous fluctuations. It requires deliberate consideration of the whole, and whether or not it is possible to improve the system, by which these huge pecuniary institutions, banks, financial companies, and brokers, insurance societies, and all other material which endeavour to gain at the expense of the public generally, without a due

I shall, in the first place, proceed to examine the lists of the shares, and the prices paid for them daily, are believed by the public to be the basis of such institutions. The enormous quantities of stock after day in the purchase and sale of such takings which have their head quarters in London suggest that the multitude of investors and the value of the article they are purchasing is enormous.

The public, as a rule, does not take the trouble to search into the causes for the fluctuations. They will, doubtless, believe, that the fluctuations in the price of the earth's produce, together with cost of production, has a corresponding fluctuations in the price of food. But persons who require subsistence, and who may attend the labours of agriculture, are not in a peculiar accommodation which the fluctuations properly conducted, the stock of commodities fluctuate regularly and evenly with the fluctuations of commercial affairs generally, and are not acted upon by the great principles of commerce. If fluctuations were properly watched, and if the public really understood such questions, they would not have so often to complain that the fluctuations are too great, and induced to trust their property

A great evil which lurks at the bottom of all such mania is the opportunity afforded to a class of persons to set deliberately to work to foist such enterprises upon the public. There is an imposing array of financial companies bristling upon the share-list every day, whose existence depends very materially upon the manufacture of some undertaking or other for sale as a limited company. They have a large capital paid up and a staff which must be paid; and their great occupation is, in order to pay a dividend to their shareholders, to persuade as many contributions of men and material as possible, to constitute themselves into a limited company based upon so many shares which the public is invited to purchase. In order to achieve success both for promoter and promoted, it is their interests to magnify as much as possible the productive powers of mines, or the traffic of unmade railroads; to overstate whatever the dividend may have been which was reaped by previous operations, when the company was a private concern. The reason for a transfer to a society of people who can provide the work with more capital is that the dividends are becoming so large that it is a shame that so few should divide them.—Some such reason as this is given, and the poor public believes it.

Now, should the machinery by which such concoctions are thrust upon the country not be overhauled, and some sort of check—by the state, if necessary—be instituted for the prevention of such wholesale swindling, as such business can come under no other category? So long as the brokers and other agents get a living by the commission to be had out of the purchase or sale of these shares, it cannot be expected that they will “cry stinking fish.” It is not, however, only the public that suffers by this system, in which they are fleeced, but it gives refuge to a number of unsound undertakings, who foster a class of bad business, who encourage people to engage in transactions of which they are entirely uninformed. Such companies do not live by the steady ordinary business of a properly and judiciously organized bank; a bank who gets together a connection by a long course of legitimate business. A bank should be able to pay just as large dividends when interest is low as when it is high. They do not do so as a rule, but they should be able to. A bank must necessarily be better off when its customers are well off than when they are not. It may appear paradoxical to state that when interest is low a bank is as well off as when it is high, but every good bank should prefer doing a safe business, with certain and small profits, than with high rates and large uncertain profits. A bank with a cautious and sound administration, and with sufficient self-denial to refuse risky business, creeps up and gradually leaves its neighbours with their temporary large profits to be overtaken by the failures which are driven upon them by a crisis, when their previous gains are no compensation for the losses which may possibly wreck the whole concern.

Can it be in any sense of justice or honesty a proper mode of procedure when a bank lives from hand to mouth, paying away all its earnings, and hiding the weakness of its foundations from the public

for the sake of keeping up appearances? Many of the banks and finance companies are known solely by the dividend they pay. The public does not take the trouble to investigate the other features in their constitutions. In this manner they go on year after year pushing up the price of their shares, possibly carrying over bad debts as good, and making no attempts at a reserve fund.

Times will arrive when combinations of misfortunes will visit every department of industry and interfere with the receipts which a portion of the community are accustomed to get, and the consequence is, that if the chain of commercial payments is destroyed in any of its links, interruption must ensue as with every break-down, and some must be losers until the communication is properly re-established. Just in proportion to the complexity and extension of the said chain must be the magnitude of the disaster. As banks are the depositaries of vast sums of the public wealth, so is it the sacred duty of those intrusted with the guidance of such establishments to act like Fitzroy admirals over the commercial deep, and take in all fine weather sails and curtail their transactions when there is the least appearance of dirty weather. When the weather is fine for banking then the shareholders can have bonuses, but when safety must be unconditionally guaranteed then they must be content to give up the bonus for the common weal.

England drives very fast with such business, but can she take much credit to herself when she often upsets the coach? The Bank of France has gone much more creditably on her way than the Bank of England. People may be very ready to come forward and defend that fine lazy old institution in Threadneedle Street, but nothing defends suspension of cash payments. Explanations only make such matters worse.

Before any new banks are started in the United Kingdom, a prospectus should be drawn up informing the public of what they are going to do, whether they are going to establish a bank for the purpose of doing banking business, or whether they intend, in the event of their being able to obtain no deposit business and very little commission, to negotiate the sale of anything they can lay hands on. It is difficult to conceive anything more unsatisfactory than a complete deception in a matter of this sort. A body of directors who are answerable for the conduct of the affairs of the bank are and must be in the most disagreeable position possible when they are compelled to come before the proprietary time after time with only small results, when, after having organised a large company with a big capital, having appointed officers, they find the ground has been previously occupied. The result of this is, that they gradually drift into a sort of business that has no connection with, and nothing to do with banking business. A profit must be made somehow. How is it to be done? The error is not in the fact of there being no profit to be made in many of such cases, but that attempts were made to establish a bank in quarters which could yield no banking profits. No sufficient investigation was made to know whether such a bank

was really wanted : and so it was trusted to chance with the hope that a manager of genius would drag deposits out of the clouds.

It is very certain such scheming has been carried too far, and the public should be told plainly that in most parts of England there is no more room for banks under existing circumstances, and that they only injure the prestige and position of their country commercially in the eyes of foreigners by subscribing to banks and finance companies which have been concocted much of late, and with not many exceptions, to gratify the vanity of men who will be directors. It must be borne in mind that to acquire a thorough knowledge of banking a long course of experience is required, and that such is required more than all by those who direct.

Before any more banks are started, the Stock Exchange or some special committee should be appointed to investigate the affair, and ascertain and inform the public if there be a fair field for the enterprise, as such is frequently supposed to exist by the sanguine and inexperienced, when, on the trial being made, results such as those which have attended the efforts of some of our foreign banks are the unfortunate conclusion. Even if a gentleman joins a board of directors for love, it is a pity that the labour of such love is lost.

A. C.

BANKING AND FINANCIAL ANECDOTES.

No. X.

THE USE OF FICTITIOUS CAPITAL.

MANY years ago a banker of the name of B——, who had been for a length of time hopelessly insolvent, managed to keep his bank open by representing to his clerks that he had a fund of £100,000 in an iron chest, which was only to be used on an emergency, so that that sum, always figured in the books as an asset. The banker was one day seized with a serious and fatal illness. Previous to his death he called his eldest son to his bed-side, and requesting every one else to leave the room, thus addressed him!—"Tom, I have been able to keep open the bank on the supposition that there is £100,000 in an iron chest in the cellar. Now, I will tell you the truth, there is no such sum nor any money whatever in that chest ; but take my advice, continue to bring forward the £100,000 as an asset and prove under my date to an amount inclusive of that sum, which you will find by my will I have left to you, but do not on any account, as you value the continuance of the bank and your own position as a banker, attempt

to open the iron chest ; if you do, and the fact of there being no money there becoming known, the bank will assuredly fail." Soon after the death of Mr. B——, the son, thinking that as the old banker had been sparing of his money, there was in the chest double the amount named, resolved to disobey the injunctions of his father, by opening the chest. He accordingly descended to the cellar alone, there, sure enough, was an iron chest, of which he had the key, but from its rusty condition, all his attempts single handed to open it were in vain ; he could not, therefore, effect his object without additional aid ; he consequently called the bank messenger to his assistance, and with their united efforts the chest was opened, when to their utter amazement, at least of the messenger, it proved to be empty. On this discovery, which from the fact of there having been a witness soon became known, there was, in banking phraseology, "a run on the bank" which, as prognosticated by the deceased banker, soon after suspended payment.

THE TROUBLES OF A MISER.

A BANKER, many years deceased, who once carried on operations in Lombard-street, had a coachman of the name of Tibbs, who had grown gray in his service, and who, knowing that his master had for years been accumulating riches, thought he would imitate him, although in a small way. His savings, little by little, increased at last to a considerable sum, which he invested in the 3 per Cent Consols, and from that time he became a confirmed miser. At last he was too old to continue his employ, and retired on a pension. At the age of 72 he made love to an old beggar-woman about his own age, who was reputed to be rich. Tibbs used to stop and gossip with her every day, and as the saying that "the course of true love never runs smooth" is as applicable to old lovers as to young, so it fell out with this ancient couple. One day Tibbs had taken his place as usual by the side of his intended, in George-yard, Lombard-street, where the old woman had stood for years, when a gentleman passing, doubtless taking Tibbs for a beggar, gave him half-a-sovereign, probably instead of sixpence, which he hastily put in his pocket. The old woman said the money was intended for her and insisted upon having it ; the old man was equally as pertinacious, and refused to give it up, thereby, as the lawyers say, "issue was joined." This pretty quarrel brought on a coolness on the part of the old woman, whose

love of money was stronger than her love of Tibbs, and she consequently refused to have anything more to say to him. This was "a sad blow and great discouragement" to Tibbs, who had reckoned on adding to his own store of wealth that of the old woman, which he knew was considerable. But however sad this result, there was still a lower depth of misery in store for the old miser, who related to the clerks at the bank the following account of the cause of his unhappiness. He began by saying that one day a gentleman, who had known him for some time, met him in Lombard-street and invited him to his country house, as he, Tibbs, was then unwell: the change of air would, his friend said, do him good, and he might stop as long as he liked without any expense. Tibbs accepted the invitation, and "about a month after he got me to his house," the old man continued, "he began to talk to me about making my will, and thought I had better allow him to draw it up. I refused, when he continued to harass me about making my will, when I at last discovered his object was, that for his kindness to me I was to leave him all I possessed. After the lapse of three months, finding I would not permit him to draw up my will, he said I must leave his house, and at the same time put into my hand a bill of charges for three months' board and lodging, amounting to ten pounds, which he insisted upon my paying immediately I got to town, or he would send me to prison." The old man, with many lamentations, began to exclaim, "Oh, what shall I do; I cannot pay it; I shall be ruined." The clerk in the bank, to whom this pitiful tale was told, said, "Tibbs, if you cannot pay it without you must sell stock to meet the demand," which, after many mental struggles, he consented to do, when the amount was paid, and a proper receipt obtained. On the banker's clerk looking over the items in the bill he discovered that a charge was made for wine supplied to Tibbs, and as the party had no license for selling wine, Tibbs was advised to lay an information against his quondam friend, which, with the evidence of the bill and receipt in his possession he was enabled to do, when the party was fined twenty pounds for selling wine without a license, and as half of the penalty went to the informer, Tibbs, to his great joy, got back his ten pounds and reinvested it. On his death it was found that he had left to the gentleman who had put him in the way to recover the lost ten pounds, the whole of the Consols standing in his name.

THE BANKER'S CLERK AND THE EXCHEQUER CLERK.

SINCE the passing of the Act of the 4th & 5th William IV., cap. 15, which remodelled the Exchequer and provided that all the future payments on account of the public revenue should be made at the Bank of England or any of its branches, the arrangements for the receipt of the public revenue have been greatly simplified, and the amount of receipts, averaging about one million per week, is made available for the public service without delay, previous to which the Receivers-General of taxes, of which there was one for each county, only paid to the Government the amount of their collections half-yearly or quarterly, at the office of the Tellers of the Exchequer at Westminster, through a London banker. On one occasion a banker's clerk, who went to the Exchequer office to pay some money, gave the following description of what occurred.

In the office there were two young men, sprigs of nobility, both redolent of civet, one of them was occupied in trimming his finger-nails, and the other, with his back to the fire, was reading a newspaper. On the clerk's entrance the nail filer asked him *what* he wanted; this interrogatory was not put in a very conciliatory tone; however, on being made acquainted with the nature of his business, the aristocratical clerk threw an open book on the counter when the following amusing colloquy ensued:—

Aristocrat (in the same haughty tone he at first adopted) said—
"Make the entry."

Clerk—"What, am I to write in your books? Cannot you write?"

Aristocrat—"Make the entry, sir, and let me have none of your impertinence."

Clerk—"Well, if I must do your work, give me a pen." (The pen happened to be a very bad one, and he made the entry in what the aristocrat said, was "a bold impudent hand.")

Aristocrat (with passion and excitement)—"Cannot you write better than that?"

Clerk (calmly)—"Yes, with a better pen; but I believe, sir, there is no Act of Parliament to compel a man to write well; I wish there was, then you would have been taught to write. When I go into a carpenter's shop and find all his tools rusty and blunt, I set him down as a bad workman; you will know how to apply this remark."

Aristocrat—"You are a very impertinent fellow; pay the fee of 5s. and go about your business."

Clerk—"Well that's a pretty joke; so I am not only to do your

work, but for permission to do it am to pay you 5s. ; that beats my grandmother, and she was clever."

Aristocrat—"I shall make it my business to acquaint your employers with your misconduct."

Clerk—"And I shall make it my business, as a tax-payer, to insist upon your employers giving you something to do, or discharging you. I wish you good day."

The two young men were then left to chew the cud of their resentment against this insolent banker's clerk, as they termed him.

The banker's clerk kept his word, he brought under the notice of the proper authorities, the particulars of the scene above described, and very soon after these useless offices were abolished. The two Tellers of the Exchequer, whose duties, like those of their clerks, were mere sinecures, were, as is usual on the retirement of a public official, rewarded with a pension. One of them, the Lord Camden, refused to accept the pension, having considerable doubts as to the propriety of receiving a pension of £5,000 from the public purse, for services never rendered or even required ; the minister of the day being doubtless apprehensive that such refusal on the part of his lordship might establish a bad precedent, insisted upon carrying out the decision of the Government, by paying the pension ; his lordship, however, true to his original determination, on receipt of the pension repaid it to the Exchequer every half-year. This patriotic proceeding reflected the highest credit on his lordship, and was, without doubt, the brightest ornament in his coronet.

CUTTING LIGHT SOVEREIGNS.

THE Bank of England are in the habit of cutting, with a pair of shears, all the light sovereigns offered to them by the public, and on a recent occasion a gentleman having had a sovereign cut in the usual manner, and not liking the process, remonstrated in the following lines :—

A sovereign on this day was tried,
And *scales* the jury were ;
Justice was counsel on its side,
But *shears*, the judge, sat there.

The *jury* verdict gave ; and said
The piece was good, though light,
For wear the law allowance made,
To cut it was not right.

The judge cried out in horrid fury,
To hear *scales* talk of law,
"The fact alone is for a jury,"
Then snapp'd it in its jaw,

THE DISAPPOINTED BANKER'S CLERK.

THE following incident which occurred some years ago will show the manner in which a banker's clerk, who aspired to the hand of his master's daughter, was treated. The banker, who resided some ten miles from London, was in the habit, every Saturday afternoon, of taking home with him a small bag of silver with which to pay his labourers. On several of these occasions his daughter, whom the banker often brought to town with him, would take charge of the bag and would give the clerk instructions as to what denomination of silver money would be required. The young lady being very beautiful captivated the heart of the young clerk, whose attentions to her became so pointed as to attract her notice, but instead of reciprocating notwithstanding his outward man was, from his handsome appearance, well calculated to captivate the heart of the daughter even of a millionaire, she showed she was somewhat annoyed, but took no further notice of it, leaving it to chance to cure him of his unjustifiable presumption, and it was not long before a cure was effected.

On one of the usual Saturdays, the young lady, with a most gracious smile, gave the clerk the empty bag, accompanied by a piece of love ribbon, instead of the usual string, to tie up the bag. The substitution of the love ribbon for the ordinary string was construed by the romantic young clerk into a certainty that his affection was reciprocated; he, with more zeal than discretion, addressed a long letter to the young lady, filled with the most glowing accounts of his passion, and ending with a request that she would meet him on the following Sunday at the entrance of her father's park, at dusk and thus afford him the satisfaction of personally declaring his attachment for her.

The young lady, very properly, showed the letter to her father, who read it with the utmost astonishment, saying, "Leave this to me, my dear, I will set it right." Accordingly, on the Monday morning, he sent for the clerk, and producing the letter asked him if it was his hand-writing. The clerk admitted that it was, and was about to enter into an explanation, but was stopped by the banker.

who said, "Be so good, sir, as to draw a cheque for the amount of salary due to you up to this day, with the addition of three months." This having been done, the banker signed it and returned it to him, telling him to present it for payment at the counter, adding these cutting remarks—"As I have no intention of allying my daughter to one of my clerks you must at once leave my employ, for notwithstanding you have been with us some years, yet, under existing circumstances, I can very well dispense with your future services: you may leave." This was a sad blow and great discouragement to the amorous banker's clerk, who not only lost his mistress but his situation also, and for no other cause than that of falling in love with his master's daughter.

ORIGIN OF MESSRS. OVEREND, GURNEY AND CO., THE DISCOUNTERS.

THE original name of the firm was Richardson, Overend and Gurney, all belonging to the Society of Friends. Mr. Richardson commenced his career in life as a clerk in the house of Messrs. Smith and Holt, bill brokers, in Old Broad Street. The late Mr. John Overend was a cashier in the banking house of Sir James Esdaile and Co., Lombard Street, at the same time that Mr. Samuel Gurney was in Fry and Chapman's Bank, of Mildred's Court. On the visits of the latter to Esdaile's Bank, Mr. Overend used to make a joke of the peculiar shrill tone of voice in which Mr. Gurney used to address him. Mr. John Overend had been a clerk at Esdaile's Bank for many years, and for some time previously to his leaving the bank was in the habit of carrying on business privately as a bill broker, having an office in a court out of Cornhill. Finding his business increase, it is said, he one day told Mr. Esdaile he must leave them, he had so much business of his own that he could no longer attend to the business of the banking house. Mr. Esdaile is said to have replied, "We were just going to tell you the same thing, Mr. Overend." Mr. Richardson at the same time left Messrs. Smith and Holt and joined Mr. Overend; they subsequently took Mr. Samuel Gurney into the firm, and thus was formed the large and wealthy house of Overend, Gurney and Co., now merged into a limited joint-stock company under the same title. There are two classes of persons in this country whose business is almost exclusively confined to dealing in bills of exchange, viz., bill brokers and foreign exchange brokers; the former may be said to be the middle party

between those who have money to lend and those who wish to borrow. They were, on their first introduction, barely tolerated, but from the high character the above-named firm has sustained, a bill broker may now walk through Lombard Street with his head erect, and hold himself equal to the greatest among the banking and financial community.

THE FLUCTUATION OF BANKING PROFITS IN LONDON.

(From the *Economist*.)

ONE of the most important and best results of the development of the system of joint-stock management will be a more accurate knowledge than we now have of the profitableness of different trades, and the general profit of all trade. The accounts of a single trader or of a private partnership are shrouded in mystery; there is no good reason for telling them, and there are several good reasons for not telling them. But the accounts of a company in which a considerable number of shareholders are much interested must show to those shareholders the most material facts relating to the business. We are yet, however, far from such a desirable state of things. The only considerable trade which has been long enough under joint-stock management to tell us much is the trade of banking, and even as to this the published accounts of most banks are still very imperfect. Most banks persist in concealing the amount of their acceptances, and while it is uncertain whether the "liabilities" vaguely classed together are composed of paper issued by the bank, or money left with the bank, no sure deduction as to the nature of their business can be made. With such a fault in the data, no conclusion can hope to be correct. The London and Westminster Bank has set the example of dividing its deposits from its acceptances, but many banks of the greatest importance have as yet not followed its example. In the end the public will prefer a bank in which the accounts are such as they ought to be, to a bank whose accounts are such as they ought not to be.

But though the nature of the business carried on by these banks is not told us, its profits are told us. We do not know, as well as we should, how the money is made, but we are very fairly and fully told what money is made; and it is very curious to trace in this patent record the varying profitableness of monetary operations. The following are the profits earned by the long-established joint-stock banks of London during the last half-year, and we purposely confine our attention to these comparatively old banks of acknowledged credit, to avoid the unpleasant questions which embarrass the consideration of certain of the new banks, and the still greater odium of saying that one new bank is of established credit and that another is not so.

PROFITS EARNED IN THE HALF-YEAR ENDING JUNE 30, 1865.

London and Westminster Bank	...	£151,598
Union Bank	... ..	144,879
London Joint-Stock Bank	... ..	127,597
City Bank	... ..	34,108
Bank of London...	... ..	39,219
		<hr/>
		£497,401
		<hr/>

Whereas in the previous half-year the corresponding amounts were—

London and Westminster Bank	...	£170,995
Union Bank	... ..	180,195
London Joint-Stock Bank	... ..	156,150
City Bank	... ..	26,116
Bank of London...	... ..	54,301
		<hr/>
		£587,757
		<hr/>

And this is the more remarkable, because the London and Westminster Bank, whose accounts are full and conclusive, show an increase of £1,000,000 in the deposits, and likewise a large diminution in the expenses. In the case of this bank at least the net profit has diminished, though the means of making it have augmented, and though the cost of making it has declined. In the case of this bank, too, the cause of the diminution is not to be looked for, as might have been at first fancied, in the bad debt account, for it was expressly stated at the meeting that the bad debts of the past half-year have not much exceeded the average of many years past. The figures given above would seem to indicate that the City Bank was an exception to the otherwise general diminution of profits during the present half-year. But such does not appear to be the case. That bank deducted at Christmas £30,000 from its profits to meet "possible claims," and so large a sum having been deducted from the profits of the Christmas half-year, no unusual deduction has been necessary from the profits of the June half-year.

The true reason of this great diminution of the profits is the reduction in the value of money. A large London joint-stock bank has a considerable sum of money for which it pays nothing, and also a very great sum on which, when money can be lent at 8 or 9 per cent., it only pays 5 per cent. Up to 1859 the joint-stock banks used to allow for money at interest 1 per cent. below the Bank of England rate, however high that rate might be. But they found that such a rate was wholly unsuitable to a keen crisis. At such a time unusual sums of money must be kept at hand at a low profit, or at no profit, and it is, therefore, impossible to give extravagant rates for money which may be rapidly withdrawn. For money that is deposited for considerable periods of time, the joint-stock banks, as well as the bill-brokers, gave in the autumn of 1864 considerable

rates, but for money left only on the ordinary terms they did not give more than 5 per cent. Consequently they had an unusual opportunity of making profit; they could lend a large sum, for which they paid nothing or a low rate, at very high rates. And if they kept clear of bad debts they made great profits. But in the last half-year, when the rate of interest was very low, they had no such opportunity. They could not charge what they had charged last autumn, and though they paid less for much of their money, the compensation was not sufficient.

It is instructive to compare these accounts with those of this time last year, and it will probably surprise some of our readers to find that in some banks at least the profits were very much higher in June, 1864, than either in December, 1864, or June, 1865, and that the aggregate of all of them was somewhat greater. The figures are :—

PROFITS EARNED IN HALF-YEAR ENDING JUNE 30, 1864.

London and Westminster Bank	£234,032
Union Bank	154,371
Joint-Stock Bank	124,477
City Bank	48,588
Bank of London	58,291
	<hr/>
	£619,759
	<hr/>

The reason of these high profits was that the half-year ending June 30th was even more favourable to banking than the half-year which succeeded. In the spring there was a high rate of discount, and in the autumn a still higher rate; but there was a disadvantage in the autumn which there was not in the spring. There was not a panic, but there was a fear of a panic. A great many people, not without experience, expected that October and November, 1864, would have been more severe than they were, though they brought suffering enough. If the Bank of England had acted as it did in 1857, unquestionably 1864 would have been worse than 1857. With this apprehension in their minds it was not possible for bankers to use their resources as freely and boldly in the autumn as they used them in the spring; and though in many cases their deposits were more and the current rates of discount higher, yet the net result was not so good. If a banker is afraid to lend his money, it is of no use to him to have much of it, or that the nominal rates for it are high.

It is to be observed that the causes which make banking profits so fluctuating in London do not apply with the same force to many parts of the country, especially to the quieter parts. The rate of interest does not change in those districts with the same rapidity upon any securities. And the securities on which a banker lends in such places are not those which would be very acceptable in the London market at all. The London and Westminster must discount at some approximation to the Bank minimum the mass of the bills which come before

them ; but in many districts of the country no banker ever thinks of charging common bills less than 5 per cent. The tradesman for whom he discounts is not known in the London market, and the bills he brings would be taxed there a good deal more than the Bank minimum. A low rate of money in London, therefore, is not attended by equal cheapness in the country; and a high rate of money is not attended by equal dearness in the country. The country banker cannot, or thinks he cannot, run his rates up to the London minimum for first-rate bills, still less to the charge which would be made in London for the sort of paper which fills a country banker's bill-case. Both ways country banking is a trade of steadier profits; so much cannot be made of money when it is at the highest value, and more can be made of it at its lowest value.

THE PROSPECTS OF THE MONEY MARKET.

THE money market is now in a quiescent state. The weather has not been all that could be wished for the crops ; still, at present it is not so doubtful but that the end of the harvest, if the season improves, will turn out satisfactorily.

The trade of the country is sufficiently healthy to keep up a good inquiry for capital, and the late elections have absorbed some of the surplus hitherto available in the general market. Fair rates for discount are consequently sure to be supported, but it is now thought we shall not see a further advance. But the great problem to be solved is the extent to which shipments abroad may be made, either to India, Egypt, Spain, or in any other direction.

The money market is more capable than ever of affording supplies, for although we have had an enormous crop of new companies the majority have been unsuccessful, and while small deposits have been locked up, directors and others find great difficulty in obtaining calls. The failures in the East India and other branches in the early part of the year have so checked the desire to adventure in produce that for the next few months it is not probable there will be any revival. The circumstance also that France has been very free from an influx of new companies, and that her resources have not been in any degree encroached upon by large withdrawals of capital for any purpose, a fact proved by the highly prosperous situation of her bullion reserves, has tended to give confidence here and allayed the alarm usually felt at this period concerning any irregular adverse bullion movement.

The mania for companies in the United Kingdom itself is fast waning, and though it is still generally believed that the "limited liability" principle is destined to make much further progress, the late confusion produced at the Stock Exchange by the refusal of the Committee to grant settlements, has caused most parties to fight shy of speculative operations. In arriving at a determination to avoid transactions of the sort, a great blow will be given to illegitimate transactions, and the sooner will the dealers turn to a healthier course of business.

The advent of fine, seasonable weather is now alone required to increase confidence in the future. The money market is now comparatively in a satisfactory state, and it is to be expected, looking to the gradual influx of bullion, and the return of coin from the country, that there will be no necessity for any advance. If, with the current of business in its present direction, and there can be little or no positive expansion, the terms for discount still remain moderately cheap, we are likely to get through the remainder of the year without any pressing difficulty, and free from the stringency which has been predicted in certain quarters. Still, if any rise in the rate of discount were to occur, it would not occasion us any serious alarm, for everyone is now so thoroughly prepared for contingencies of the kind that the event would not produce surprise even in second and third rate quarters. On the Continent, the supply of money is abundant in most directions, the absence of political excitement creating a favourable effect.

AMERICAN VIEW OF STOCK JOBBING.

(From the New York Commercial and Financial Journal.)

Stock jobbing thrives best in times of civil commotion, when political changes, actual or contemplated, exert a powerful influence upon the prices of securities. It took its rise in England after the funding of the public debt by William III., for previous to that time monarchs were in the habit of ignoring and repudiating their obligations altogether if it suited their purpose—as of course it usually did. William I. introduced into England the practice of paying the public debt, and the charter granted by him to the Bank of England marks the earliest instance in any country of a national debt bequeathed to posterity. This was in 1694. Jobbing in the funds immediately began. 'Change Alley soon resounded with that vociferation and din that distinguishes our Broad Street to-day; and the new beginners left but few arts for us to invent in their crafty trade. Reports and rumours were as plentiful as now. Battles were won and lost, peace declared, towns

beseiged, and whole navies drowned in the course of a few hours; and history is even now confused by the unauthentic events they planned. Variations in the prices of stocks were sometimes effected by these means to the extent of two or three hundred per cent. in a single afternoon. Nor were these questionable arts alone employed. Correct intelligence, then as now, became the source of immense profit to its possessor, and post couriers and expresses were put in requisition, and employed to great advantage.

Among those who invested capital in these now familiar institutions was Sir Henry Furness, a director of the Bank of England. Throughout Holland, Flanders, France, and Germany he maintained a complete system of private news posts. Intelligence of the many battles fought at this period was received first by him; and by his enterprise the fall of Namur added largely to his profits. So superior were his means of intelligence that on one occasion William presented him with a diamond ring as a reward for important and early information. But even for this man the temptation to deceive was too great, and fabricated news and false rumours added as much to his purse, as the true. Another, the wealthy Medina, accompanied Marlborough in all his campaigns, administered to the avarice of the great captain by an annuity of £6,000 per annum, and repaid himself by the employment of expresses containing intelligence of those great battles which fire the English blood when they are named. Thus Ramilies, Oudenarde, and Blenheim imparted as much money to the purse of the wealthy Hebrew, as they did glory to the arms of England.

The innovations of modern times have changed all this: not that intelligence of important events is any less monopolized now than it was then, but only as regards the means of transmitting it. Expresses and post horses are now confined to the drudgery of carrying parcels and trunks, while the steam engine and the telegraph perform the more expeditious and important work of transporting persons and transmitting thought. But stock jobbery is just as much practised as ever.

A system of telegraphy extends all over the United States which is in divers ways made subservient to the plans and purposes of the same class of men. The intelligence which we read every day in the newspapers is collected by the numerous agents and reporters of the New York Associated News Company, who are stationed all over the country and have offices at all the telegraph stations. Sometimes this information is gratuitously offered to the company, as was the case when the frightened runaways at the first battle of Bull Run rode into Washington at the top of their speed and announced that the country was lost; sometimes it is collected by the agent of the company, as when the agent at Washington telegraphed the news of President Lincoln's assassination; and sometimes it is clipped by them from newspapers. Often the company does not obtain the latest intelligence, and the public are thus kept many hours and sometimes

days behind time in learning news which has all the while been in private hands ; but this is not often the case, and many large operators find it to their interest to employ the company to furnish them with news. This, of course, does not exclude them from obtaining extra information by any method they please.

Since the conclusion of the war, it is evident that every item of information likely to produce any commotion on the Stock Exchange must either have originated in New York, or come from Washington, or New Orleans, or Europe. The first may be considered the financial centre of the North, the second is that of the Union, the third is that of the South, and the fourth is that of the world. As the lines from Washington and New Orleans are both under strict military surveillance, it is interesting to glance at the small chance there is of telegrams coming from those points without first being made use of by some of the numerous hands through which they all are obliged to pass.

First there is the censor, then his deputy, then the operator, then the operators at intermediate points, then the receiving operator, then the messenger, then the agent of the Associated Press and his deputies, and, finally, the messengers who convey the intelligence, at last, to the offices of the various newspapers and private parties for which it is intended.

It is mere fatuity to suppose that these persons are such mere machines, such devotees to duty, so indifferent to making a fortune, so ignorant as not to perceive the ready means at their disposal, or so incorruptible as not to employ these means to their own profit whenever occasion offers. Almost a convincing instance of the existence of this kind of stock jobbery is furnished by the late "sensation" from New Orleans and Cairo, concerning Mexican complications.

The war being ended, and restrictions to personal liberty, trade, and intercourse being in course of removal as fast as the Executive can be made aware of their existence, little could happen to depress Fifties in Europe or raise the price of gold here, except an unreasonable continuance of arbitrary restraints or a foreign war. The restraint sensation having been pretty well tried and found to be insufficient, the stock jobbers determined upon a foreign war. Accordingly rumours of complications in Mexico found their way across the telegraph wire almost as soon as its continuity between this and New Orleans was established. Next came a report of 100,000 United States troops being in Texas to menace the Mexican frontier. A good deal of ingenious stuff about the Monroe Doctrine was sandwiched in between this rigmarole news, and when the affair was ripe, and the gold market in a state of vacillation, news was flashed from Cairo that 30,000 Americans had been driven out of Mexico, that there was an insurrection of the Church faction, that an army of Americans stood ready to avenge their countrymen as soon as the government gave the signal ! and the result was that gold went up three per cent. in one evening and the "job" was successful. Next day it came out that there were only 17,000 U. S. troops in Texas, of whom 6,000 were negroes ; that

there have never been over 5,000 Americans in all Mexico at any time during the past few years, that not a man of them had ever been "driven out," except for such reasons as would have "driven" them out of any other country, that no "Church faction" had rebelled, and, to crown all, that such news as reported could not have had time to come by the route reported. As a necessary consequence, gold went back to 143 1-2 again, and Broad Street quieted down.

With proofs of the complicity of the telegraph in the arts of stock jobbery it behoves operators in gold and stocks to be careful lest they allow themselves to be deceived by false or supposed news.

THE COMMERCE OF INDIA.

THE report of the Kurrachee Chamber of Commerce, presented at their annual meeting in June, furnishes some interesting points in connexion with the existing commerce of India. The primary topic is the virtual failure of the Indo-European telegraph line through the mismanagement that characterizes every part of it, and especially the "lamentable and utter inefficiency of the portion between Kurrachee and Bombay." It often takes longer for a telegram to travel between Kurrachee and Bombay than it does to come from London; mutilations and total loss of messages are of common occurrence, and it is a suspicious fact that "the graver delays took place in the month of August when intimation of the crisis in the cotton market was first received at Galle." The export duty on saltpetre is the next evil for animadversion, and the Chamber have adopted a memorial on the subject. Four years ago the Chamber expressed apprehensions of the extent to which this duty, "founded on the most fallacious principle known in political economy," would stimulate the production in France of artificial nitre, and the result has been, as regards Scinde, that the quantity has declined in that period from 101,629 cwt. to 25,436 cwt., and that those firms who had erected refineries in the province have been compelled to abandon the business. With regard to the adulteration of cotton and other produce the committee express a belief that the Act passed with a view to its suppression has proved effective, and has prevented the large exportation of inferior qualities, which used to be sent to Bombay with the object of mixing them with the better descriptions there. The instances in which cotton filled with rubbish, such as stones, pieces of brick, and caked dirt, were brought for compression to licensed presses were previously numerous, but the inspector reports that on the whole the cotton he has examined since the 1st of January, 1865, is decidedly superior both as regards cleanliness and preparation to that of last year. With respect to oil seeds the committee consider there is no reason to complain of the prevalence of adulteration. Rapeseed, as a rule, contains about seven per cent. of extraneous matter, about three or four

per cent. being barley. The great evil to be deprecated is the adulteration of wool. It formerly contained about twenty-five per cent. of rubbish, but now it contains fifty per cent. if not more. The consequence is that the trade is becoming extinct. The European firms will have nothing to do with it, and the stocks shipped by natives to Bombay find no purchasers there. It is accordingly recommended that the provisions of the Cotton Frauds Act should at once be extended to this staple.

INDIAN BANKING PRACTICE.

The annexed letter raises a question of great commercial importance as regards the rights and practices of the London banking institutions connected with India.

“32, Great St. Helen’s, Aug. 19.

“Sir,—As a question of great commercial importance has been raised by some of the Indian banks, we think you will consider it necessary to insert the following statement.

“We have accepted certain documents—bills which are held by the Asiatic Banking Corporation. According to the universally recognised custom, and in terms of the usual letters of hypothecation of all the Indian banks, we tendered as usual the amount of our acceptances to retire the draughts with the documents attached.

“To our great surprise we have been refused delivery of the documents, on the plea that the bank had a right to hold the surplus of the shipments against some claims the bank has on the drawer (who has failed) of the bills, on some transactions entered into in Bombay, and to which we are in no way whatsoever parties.

“The Central Bank of Western India has also made a similar refusal on as strange a plea—that their Bombay office has telegraphed to them not to part with the documents; as if the rights of third parties should be determined by what the different officers of the bank choose to telegraph to each other.

“The letters of hypothecation of all Indian banks provide that the banks have authority to hold and appropriate the documents only in the case of default by the drawers or acceptors. But as long as the acceptors are solvent, and able to pay their acceptances, they are entitled to retire the acceptances, and get possession of the documents attached.

“We cannot help expressing our surprise that gentlemen like the directors and managers of such banks could feel themselves justified in endeavouring to saddle upon others their own imprudent or unfortunate transactions. Be this as it may. The claim and excuse set up by these banks are so entirely subversive of all mercantile credit, confidence, and honour, and calculated to produce such serious consequences, that we feel it our duty to bring the matter to the notice of the public at once.

“We remain your obedient servants,

“DADABHAI NAOROJI & CO.”

Reports of Joint-Stock Banks.

ORIENTAL FINANCIAL CORPORATION, LIMITED.

THE ordinary general meeting of the proprietors of this company was held on the 28th July, at the London Tavern; Mr. John Brown in the chair.

The following report was read by the Secretary :—

"The directors beg to submit to the shareholders the report of the proceedings since the last general meeting, held on the 27th January, as also the accounts up to the 30th June, duly audited. In the circular issued by the directors on the 12th May, mention was made of their inability, from the want of unanimity in favour of the measure on the part of the shareholders, to carry out the suggestion as to the reduction of the nominal amount of each share. The directors have further to report that none of the proposals for amalgamation which they have had under consideration have as yet come to a successful issue. With reference to the accompanying accounts the directors have to mention that as against the item of £191,570. 9s. 8d. under the head of 'advances on securities,' the corporation holds collateral security to the nominal value of £333,585. It will be noticed that it has been deemed advisable to write off a further amount of £1,000 from the preliminary expenses, and this reduces the amount at the credit of profit and loss on the 30th June to £11,372. Unless otherwise desired by the shareholders, the directors do not intend declaring an ad interim dividend for the past half-year. As mentioned in the circular above alluded to, the directors have been enabled to place the securities of the corporation on a more satisfactory footing, but from want of capital the business done elsewhere than in India has been necessarily restricted. The transactions in Calcutta have been of a satisfactory nature; but the latest letters from our agents in Bombay bring advice of their having been obliged to carry over some of the loans they had entered into. Looking to the quoted price of the shares, and the natural anxiety expressed by many shareholders on that account, the directors regret that the suggestion made by them in their circular dated 12th of May last, that the shareholders should satisfy themselves respecting the actual worth of the shares by reference to the official records, should have been acted upon by very few of their number. Since, however, shareholders residing at a distance may have been prevented from availing themselves of the opportunity thus offered to them, the directors would now state that if the shareholders should think it expedient to appoint a committee from their own body to inquire into the affairs of the corporation in every particular, such a course would probably be satisfactory to all concerned."

Dr. Balance-sheet, 30th June, 1865.

Capital, 10,000 shares of £50 each—£500,000, viz. : 8,875 shares on which £10 has been called up, £88,750; less calls not yet paid, £1,225—£87,525; 1,125 shares forfeited, on which have been paid, £4,465	£91,990 0 0
Amount due on bills payable and on deposits	185,228 13 1
Sundry creditors	2,033 16 9
Profit and loss—Amount standing at credit of this account, as per annexed statement, viz. : £16,753. 5s. 7d.; less disbursements, £5,381. 5s. 7d.... ..	11,372 0 0
	£290,621 9 10

Cr.

Advances on securities, £191,570. 9s. 8d.; Calcutta agency, £1,062. 9s. 4d.; Bombay agency, £34,260	£326,882 19 0
Cash at bankers, in hand and on deposit, £4,217. 4s. 11d.; bills receivable, £48,018. 4s. 1d.	52,335 9 0
Investments... ..	8,150 0 0
Office furniture	356 1 10
Preliminary expenses, £9,000; less amount written off to profit and loss account, £1,000	8,000 0 0
	<hr/> £390,624 9 16 <hr/>

Profit and Loss Account, 30th June, 1865.

Dr.

Current expenses, including salaries, advertisements, stationery, rent, directors' fees, and incidental charges at head office, as also Calcutta agency	£3,331 5 7
Amount paid Mr. H. A. Parry on his retirement from the office of manager	1,000 0 0
Depreciation in the value of investments	1,050 0 0
Amount written off preliminary expenses	1,000 0 0
Balance carried to profit and loss (new account)	11,373 0 0
	<hr/> £16,753 5 7 <hr/>

Cr.

Balance from last account	£12,971 3 3
Gross profits for the past half-year	3,781 2 4
	<hr/> £16,753 5 7 <hr/>

Since the above report was printed the directors have been placed in a position to lay before and recommend to their members an amalgamation with another corporation.

Notice is therefore hereby given, that an extraordinary meeting of the members will be held at the London Tavern, on Friday, August 4, for the following business:—

1. To consider the proposed offer of amalgamation, and, if sanctioned.
2. To pass the necessary resolutions for that purpose.

The Chairman, in moving the adoption of the report, said that as against the item £191,570, which they had advanced on securities, they held collateral security to the nominal value of £333,585; but in addition that they had a lien upon the beneficial interest of a contract for a line of railway valued at £125,000, which was applicable to about £60,000 of the £191,000, in addition to the special securities held as against the amount due. Of course, what the present value of those securities was the directors could not say, or what they might ultimately realise. The liabilities were stated in the accounts at £185,000, which was less than was shown in the previous accounts. The board recommended that no *ad interim* dividend for the past half-year should be declared, considering that the directors, seeing that many of their transactions were still pending, and that it was at present impossible to say how they might ultimately turn out. He might add that after the directors had come to this decision the shareholders had appended to their report a recommendation on the same ground that the "balance of profits shown in the accounts should be carried over and dealt with." The last two paragraphs in the directors' report speak of

themselves, but as to the notice which now appeared by way of rider to the report, announcing the prospect of an amalgamation, or rather, as far as this corporation was concerned, absorption, he deprecated discussion as at present premature, but alluded to it for the purpose of affording information. The proposal was that the London and Mediterranean Bank should take over the corporation in its entirety, assets and liabilities, and for each share of £50 nominally and £10 paid in the corporation, the shareholders were to receive a share in the London and Mediterranean Bank nominally of £20, with a minimum of £5 credited upon it, and as the assets of the corporation were realised any addition would be added beyond the £5. Such was the pith of the proposal. It was further proposed that in the event of the amalgamation being carried out, three of the Oriental Financial directors should join the board of the London and Mediterranean Bank, so that the realisation of the assets would be under the supervision of directors thoroughly cognisant of the affairs of the corporation. In conclusion, he moved the adoption of the report.

Mr. Lysley (director) seconded the motion.

A Shareholder—How much is paid upon the shares of the London and Mediterranean Bank?

The Chairman—They have three sets of shares; upon one £5 each has been paid, upon another £3, and upon the third £2. 10s.

The Shareholder—Then, as I understand, for our £10 paid we are to receive £5 each share, which would represent our shares as being at £5 discount?

The Chairman—No, because as our assets are realised we shall have credited the realisation in addition to the £5.

The Shareholder—Shall we be liable for any calls upon the London and Mediterranean shares?

The Chairman—Of course, if you are shareholders in the company you are liable for calls with the other shareholders, but I am not aware of any intention to make a call.

Another Shareholder—At what price do the London and Mediterranean Bank shares now stand in the market?

The Chairman—3½ premium.

The resolution adopting the report was then put and carried unanimously.

Mr. Stewart, acting upon the suggestions made in the report, moved the appointment of a committee of shareholders to co-operate with the directors in carrying out the proposed amalgamation, or upon the negotiations for that purpose failing, to advise with them upon the realisation of the assets and the winding-up of the concern. It was clear they had been doing no business during the last half-year, and were in fact £1,599 worse than the previous accounts showed; and seeing the unfortunate state of affairs, the changes which had taken place in the direction, two of the directors having become bankrupt and therefore obliged to leave the board, and looking at the position of the corporation in the market, it was, he submitted, quite absurd to continue business a day longer, unless they could amalgamate with some other company. He had no doubt the absorption of so respectable a body of shareholders would be a great benefit to the London and Mediterranean Bank, and that the amalgamation would be advantageous for all parties.

Colonel Jamieson seconded the motion.

Major Ross spoke of the low price of the shares in the market, and generally to the unfavourable position of the company, which was ascribed in a great measure to the directors not being financial men. He believed

the result of the appointment of the committee must necessarily be the winding-up of the company. He was averse to going on any further, either by themselves or under an amalgamation with some other company, unless the directors could assure them of success.

Mr. M'Ewen suggested that they should postpone all discussion upon the amalgamation until the 4th of August, when they were to be called together specially to consider that subject, but he recommended the shareholders in the meantime to make inquiries for themselves as to the position of the London and Mediterranean Bank. He thought there could be no objection to appointing a committee to confer with the directors.

Mr. Lysley thought it a pity they had not had a committee of shareholders to co-operate with the directors and examine into the whole of the company's affairs before. The directors had never had the slightest intention of bolstering up the concern in any way, but had explained everything, and had all along invited the shareholders to come and judge for themselves. The low price of the shares was easily to be accounted for. The company was started in the days of high premiums, but soon afterwards money went up and shares went down. Then many shareholders could not pay their calls, and instead of forfeiting those shares immediately, as the directors ought, he now thought, to have done, they were allowed to hang about upon the market. Then, again, there were two members of the board who failed during the severe mercantile pressure. In case of these gentlemen the board thought they had a most valuable director, and so, as a man of business, and at the time of high standing and solvency, he was. The firm of that director held 1,000 shares, which, upon the bankruptcy occurring, were also thrown upon the market, and of course influenced it prejudicially to a still further extent. Indeed, he doubted whether the company had yet recovered, or could ever recover the prejudicial effect of having so many of its shares forced upon the market at one time. He defended the directors from the charge of being deficient in financial ability, and attributed the remarks of Major Ross on that point to disappointment in not being appointed a director himself. He believed that good would result from the appointment of the committee, and that they would report that the directors had carried on the business of the company as efficiently and as well as was possible under the circumstances. The fact was they had proceeded at first on a wrong basis by entering into large transactions with too small a capital, and had not made sufficient calls. He did not think they would lose any money by the outstanding transactions, and he hoped that, when the assets were realised, the £5 credited to them on the London and Mediterranean shares would be increased to £10 or more. He thought it would be better to omit that part of the resolution which contemplated the possible winding-up of the company.

A long conversation ensued, in the course of which several shareholders recommended that the motion for the appointment of the committee should be postponed until the meeting of the 4th of August, when they would know whether the negotiations for amalgamating with the London and Mediterranean Bank had been successful or not, while others desired the committee to be named at once.

Mr. Lysley suggested that the committee should be appointed, but should only be called in to act if the amalgamation fell through, and then that they should advise with the directors as to the best means of carrying on the business, or of concluding it.

Ultimately, Mr. Stewart withdrew his motion, it being understood that

it would be brought forward again should the proposal for the amalgamation fail.

Twenty-five guineas were awarded to the auditors for their services, and a vote of thanks to the chairman, the directors, and the secretary concluded the proceedings.

The meeting above referred to was held on the 4th of August, at the London Tavern, but it did not eventuate in any amalgamation being agreed to.

MIDLAND BANKING COMPANY.

On the 28th July the ordinary general meeting of shareholders was held at the London Tavern; Mr. T. S. Richardson in the chair.

The following report was taken as read:—

"The directors have the pleasure to submit to the shareholders the following statement of accounts and balance-sheet, for the half-year ending the 30th June, 1865, which has been duly examined and certified by the auditors. It will be seen that the gross profits for the half-year, including £755. 18s. 9d. brought forward from last account, have been £22,716. 13s. 11d. after making provision for bad and doubtful debts; and that, after deducting all current expenses, agency charges, interest paid to customers, &c., and allowing for rebate of interest on bills discounted and not due, there remains for disposal a balance of £7,095. 10s. 2d. The directors recommend that out of this sum £380. 4s. 10d., being at the rate of 10 per cent. per annum, should be written off preliminary expenses; that £3,608. 17s. 8d. should be appropriated to the payment of a dividend at the rate of 5 per cent. per annum, free of income tax, upon the paid-up capital of the Company; that £1,000 should be added to the reserve fund; and that the balance, £2,106. 7s. 8d., should be carried forward to profit and loss "New Account." The directors, in pursuance of the policy which has hitherto guided them, are of opinion that, having regard to the permanent interests of the bank, it is not desirable to increase the dividend on the present occasion. The directors are happy to report that the expectations formed with regard to the branches at Leeds, Huddersfield, and Sheffield, purchased of the London and Northern Bank, have been justified by the result of the last six months' operations, notwithstanding the comparative inactivity of trade in those places. In February last a daily branch was opened at Tunstall, where a valuable business is being rapidly formed; and in June last the directors were able, without any expense or being called upon to take over any objectionable account or liability, to acquire the business established at Longton by the London, Birmingham, and South Staffordshire Bank, which is of a lucrative and very satisfactory character. The directors are sanguine that these two branches in the Potteries will contribute largely to the general profits of the Company."

Balance Sheet 30th June, 1865.

<i>Dr.</i>							
Capital paid up	...	...	...	...	...	...	£150,059 0 0
Reserve fund	...	...	...	...	...	...	2,000 0 0
Amount due by the bank on current, deposit and other accounts,							
£331,928. 18s. 1d.; liabilities on acceptances by the bank,							
£20,200...	...	...	...	...	...	...	552,123 18 1
<hr/>							
Carried forward	...	...	...	...	...	...	£704,187 18 1

Brought forward	...	...	...	...	£704,187 18 1
Profit and loss balance, brought from last account, £755.18s. 9d.;					
gross profit for the half-year, after providing for bad and					
doubtful debts, £21,960. 15s. 2d.	...	...	...	...	22,716 13 11
					<u>£726,904 12 0</u>
Cr.					
Cash on hand, with agents, and at Bank of England, Leeds...					£71,544 7 7
Purchase of freehold and copyhold property, and bank fittings					
at head office and branches	...	...	...	...	13,201 2 11
Purchase of business at Wolverhampton, and also at Hereford,					
and payment in full to London and Northern Bank for					
goodwill	...	...	...	...	16,000 0 0
Bills and promissory notes discounted, and other advances to					
customers	...	...	...	...	603,958 18 10
Preliminary expenses, and expenses in establishing branches					7,604 16 2
Current expenses, including all salaries, rents, &c., at head					
office and branches, agency charges, and directors' remun-					
eration	...	...	...	...	7,056 8 1
Interest paid on current and deposit accounts, &c.	...	...	...	...	7,538 18 5
					<u>£726,904 12</u>

PROFIT AND LOSS ACCOUNT.

Dr.					
Current expenses, as above	...	...	...	...	£7,056 8 1
Interest paid to customers, &c.	...	...	...	...	7,538 18 5
Rebate on bills not due, carried to new account	...	...	...	...	1,625 17 3
Amount written off preliminary expenses, being at the rate of					
10 per cent. per annum	...	...	...	...	380 4 10
Dividend at the rate of 5 per cent. per annum, for the half-year					
free of income-tax	...	...	...	...	3,608 17 9
Amount added to reserve fund	...	...	...	...	1,000 0 0
Balance carried forward	...	...	...	...	2,106 7 2
					<u>£22,716 13 11</u>
Cr.					
Balance brought from last account	...	...	...	...	£753 18 2
Gross profit for the half-year, after providing for bad and					
doubtful debts...	...	...	...	...	21,960 15 2
					<u>£22,716 13 11</u>

The Chairman, in moving the adoption of the report, said he had nothing to do but to congratulate the shareholders on the success of the Midland Banking Company. The bank was going on steadily increasing in prosperity. Comparing the half-year just past with the corresponding half-year of last year, there was an improvement in every figure, and the profits were larger. The current expenditure was greater this half-year, but then they had three branches now which belonged to the London and Northern—viz., in Leeds, Huddersfield, and Sheffield—which they had possessed only a month when the last meeting was held, and though the expenses were larger, the profits were commensurably greater. They

carried £1,000 to the reserve fund and over £2,000 to the profit and loss new account. If they had not carried forward this latter sum they might have divided 7½ per cent. The board, however, thought it better to strengthen the position of the bank by keeping a good amount to the credit of profit and loss than to divide the profit to the last penny. (Hear, hear.) By going on as they did they would make the Midland Banking Company one of the best, if not the very best, of the new banks. (Hear, hear.)

Mr. Woodd, M.P., seconded the motion, and expressed his satisfaction, on account of the old shareholders of the London and Northern Bank, that the affairs of the Company were in such a prosperous condition. (Hear, hear.) They had a good and increasing business before them, and it was pleasing to him to find that not the least of that good business was derived from the Yorkshire branches.

In reply to questions by shareholders,

The Chairman said that the large amount of £2,000 had been carried forward to the new account because, as he had already explained, it was thought more advisable for a young bank to have a secure and strong position than to make a large dividend in the beginning. (Hear, hear.) When they were in a perfectly sure position they could make a larger dividend, and investors would have the advantage of the amount reserved next year. With regard to the audit of the branch banks they could not send auditors to every branch, but an inspector was sent who investigated the accounts, and made careful reports which were submitted to the auditors. If they were not found satisfactory the auditors would not sign the report.

Mr. Martelli, one of the auditors, said that if an auditor was sent to the branches to audit the accounts, it would be very expensive, and not so satisfactory as the present system.

The motion was then adopted.

A dividend of 5 per cent., free of income tax, payable on the 1st of August, was then declared.

Mr. Strickland, of Leeds, moved the thanks of the meeting and a remuneration of £15. 15s. to each of the auditors, and expressed his entire satisfaction with the report and the dividend, and the mode in which the company was managed.

The motion, having been seconded, was adopted.

The Chairman moved a vote of thanks to Mr. Tomson, the general manager, and the other officers of the company, for their good and careful management of the concern.

Mr. Knight, a director, seconded the motion.

Mr. Tomson, in acknowledging the compliment, said that the kind manner in which the chairman spoke of him was but part and parcel of the kindness which he had experienced since the formation of the bank. (Hear.) He could not but congratulate the shareholders on the appointment of the inspector, who was a good and efficient man in every respect, and with whom he worked most harmoniously. He was sure that no efforts would be spared on their part or on that of the officers of the branch banks to promote the success of the establishment. (Hear, hear.)

A vote of thanks to the chairman concluded the proceedings.

BANK OF EGYPT.

An extraordinary general meeting of the proprietors of this bank was held on the 28th July, at the London Tavern; Mr. Tite, M.P., in the chair.

The Secretary (Mr. Cheshire) having read the notice convening the meeting, and the minutes of the last meeting, the following report was taken as read:—

"The directors have the pleasure to lay before the shareholders the annexed statement of accounts for the half-year which ended on the 30th June last, by which it will be seen that the net profits, including a balance of £4,819. 6s. 5d. brought forward from the previous half-year, amount to £16,966. 18s. 3d. This enables the directors to recommend a dividend for the half-year, as on the last occasion, at the rate of 10 per cent. per annum (£12,500), free of income tax, leaving £4,466. 18s. 3d. to be carried forward to the next account."

Balances-sheet, June 30, 1865.

LIABILITIES.							
Capital paid-up	...	...	...	...	...	...	£250,000 0 0
Reserve fund with interest to date	...	...	...	...	...	...	20,600 0 0
Bills payable	...	...	...	...	...	...	300,159 3 8
Current and other accounts	...	...	...	...	...	...	235,748 15 11
Profit and loss balance as below, after payment of dividend	...	...	...	...	...	...	4,466 18 3
							<hr/> £810,974 17 11 <hr/>
ASSETS							
Cash	...	...	...	...	...	...	£35,371 0 10
Bills receivable	...	...	...	...	...	...	453,108 2 5
Government securities (Egyptian)	...	...	...	...	...	...	170,591 4 5
Other securities	...	...	...	...	...	...	152,004 9 11
							<hr/> £810,974 17 10 <hr/>

Profit and Loss Account, 30th June.

<i>Dr.</i>							
Dividend for the half-year, at the rate of 10 per cent. per annum, payable on the 4th August	...	...	...	...	...	...	£12,500 0 0
Balance carried to next account	...	...	...	...	...	...	4,466 18 3
							<hr/> £16,966 18 3 <hr/>
<i>Cr.</i>							
Balance of undivided profits, 31st December, 1864	...	...	...	...	...	...	£4,819 6 3
Net profits for the last six months, after providing for bad and doubtful debts, rebate of interest, current expenses in London and Egypt, and directors' remuneration	...	...	...	...	...	...	12,147 11 10
							<hr/> £16,966 18 3 <hr/>

The Chairman, in moving the adoption of the report, observed that although things in Egypt had at different times assumed a very formidable shape, and many difficulties had arisen, the bank had, owing to the pru-

dence of the management at Alexandria, escaped any heavy loss similar to that which had befallen other banking companies. They were able to present to the shareholders a balance-sheet showing gross profits to the amount of £19,000. Their expenses had slightly increased, owing to some increase in salaries, which brought the total expenses up to £7,000. The net profit, after making allowance for every possible loss, was £12,147, which was nearly £600 more than the profit of the corresponding half-year in 1864. They had reason to believe that their business was very carefully managed in Egypt, and one particular description of brokerage business had been very successfully carried on. The meeting were aware that the state of things in Alexandria had, during the last half-year, been full of difficulties. Owing to speculations in cotton, a commercial crisis had ensued which had struck down some of the largest commercial houses; and he had been informed that in Alexandria itself the loss had been £2,000,000. Whether that were the fact or not he could not tell; all he could say was, that this bank had escaped. (Cheers.) Another circumstance which had almost totally paralyzed business in Egypt during the last six months was the cholera, which had raged with such frightful violence that the total number of deaths in Egypt up to 17th July had been 19,256; and of that number 4,000 persons had died in Alexandria, 5,000 in Cairo, 2,000 in Damietta, and 2,000 in Rosetta. He was happy to say that the scourge was now abating. During the past winter the management in Egypt, on which so much depended, was greatly assisted by the presence of Mr. Thurburn, one of the board, who was well acquainted with the trade and resources of the country, and who was present at Alexandria at the height of the crisis. Happily, by his assistance, combined with great prudence on the part of the management, the evils which had overtaken other commercial institutions had been averted, and they had emerged from the crisis comparatively scatheless. He concluded by moving the adoption of the report and accounts.

The Deputy-Chairman (Mr. Robertson, M.P.) seconded the motion.

Mr. Surtees called attention to the great diminution in the amount of gross profits this half-year as compared with that of the last, from which he inferred that the bank had made some losses.

The Chairman explained that the business was better in Egypt at some periods of the year than at others. Banking had not been so successful during the time of the cholera and commercial crisis as it was at other times.

The motion was carried unanimously, and a dividend of £10 per cent. per annum declared.

A Shareholder enquired whether there was a probability of a bonus next half-year.

The Chairman said he did not like to predicate anything in that respect, though he thought it extremely probable; at the same time the proprietors would bear in mind that the trade of Egypt had been much interfered with by the excessive mortality. They had honestly earned the dividend of 10 per cent. which was now declared, and the shareholders might depend upon it the directors would be most happy to meet them with a bonus, if circumstances warranted them giving one. (Hear, hear.)

Mr. Surtees inquired whether the bank suffered from competition with other banks.

The Chairman said that there was no reason to believe it did. Their banking business proper went on very steadily.

In reply to other questions,

The Chairman said that the bank had realised on the Ottoman loan, at

a profit, and invested the money in other securities. It was not necessary to state the details here, but the board of management were always ready to impart information on particular points to individual proprietors on their calling at the office.

Mr. Thurburn confirmed the statement of the chairman as to the generally prosperous condition of the bank, and as to its having, through the great prudence of the local management at Alexandria, escaped any important loss in the commercial crisis. It could not be said that they come quite clearly off, but he had no hesitation in saying that their losses in Egypt were far below the losses of any similar establishment. Their future prospects were very good, although, in consequence of the paralyzed state of trade owing to cholera and other causes, it was not probable that the expenses of the current half-year would very greatly exceed those of the present.

This being the whole of the business, a vote of thanks, proposed by Mr. Tidmarsh, was unanimously accorded to the chairman and directors, for their very valuable services during the past half-year.

LONDON AND SOUTH WESTERN BANK, LIMITED.

THE fourth half-yearly meeting of this bank was held at the London Tavern, on the 31st July; Mr. J. F. Vesey Fitzgerald in the chair.

The following report was read:—

"The directors have the pleasure to submit to the proprietors the balance-sheet for the half-year ending 30th June last. Notwithstanding the low rates of interest which have prevailed during the past half-year, and the consequent decrease of profits, it will be seen from the balance-sheet that after making provision for bad and doubtful debts, the gross profits for the half-year, including the sum of £1,660. 13s. 4d. brought forward from last account, amount to £19,517. 12s. 3d., and that after deducting interest paid to customers and all charges for expenses, there remains an available balance of £5,805. 9s. 1d. The directors recommend that £4,636. 13s. 4d. be appropriated to the payment of a dividend at the rate of 6 per cent per annum, free of income tax, that £856. 11s. 7d. be set aside on account of rebate of bills not due, and that the balance of £312. 5s. 2d. be carried to profit and loss new account. The directors have to report a large and steady increase of business, and avail themselves of this opportunity to remind the shareholders that by exerting their influence in extending the operations of the bank and introducing customers, they will largely contribute to its prosperity. The dividend will be payable at the head office, or at any of the branches, on and after Tuesday, 8th August."

BALANCE-SHEET.

Dr.							
Capital paid-up	...	...	...	...	...	...	£176,795 0 0
Reserve fund	...	...	...	...	...	...	15,000 0 0
Amount due by the bank on current, deposit, and other accounts	...	...	...	...	...	...	509,781 1 11
Balance of profit and loss brought from last account,							
£1,660. 13s. 4d.; gross profit for the half-year, after							
making provision for bad and doubtful debts,							
£17,856. 18s. 11d.	...	...	...	...	...	...	19,517 12 3
							<u>£721,083 14 2</u>

Cr.

Cash in hand and at call	£54,873 18 10
Bills discounted and temporary advances to customers ...	634,066 15 8
Bank premises, furniture, and fixtures	8,940 16 6
Preliminary expenses, including cost of establishing branches	9,600 0 0
Current expenses, including directors' remuneration, all salaries, rents, &c., at head office and branches ...	9,217 10 4
Interest paid on current and deposit accounts, &c. ...	4,494 12 10
	<hr/>
	£721,093 14 2
	<hr/>

PROFIT AND LOSS ACCOUNT.

Dr.

Current expenses as above	£9,217 10 4
Interest paid	4,494 12 10
Rebate on bills not due carried to new account ...	856 11 7
Dividend at the rate of 6 per cent. per annum ...	4,636 13 4
Balance carried forward	312 4 2
	<hr/>
	£19,517 12 8
	<hr/>

Cr.

Balance brought from last account	£1,660 13 4
Gross profit for the half-year	17,856 18 11
	<hr/>
	£19,517 12 3
	<hr/>

The Chairman, in moving the adoption of the report, said that it contained so clear a statement of the position of the company that he need not then enter into any lengthened explanations; and he was glad to be able to add that the few remarks he should be able to make would, he had reason to believe, be of a perfectly satisfactory character. The directors felt persuaded that the business of the bank was at present placed on so sound a footing that their ultimate success was certain, and that the only question was, how rapidly that success should be developed. For his part he did not greatly approve of very rapid progress, and he should much rather see one of a steady, certain, and unremitting description. He need not call the attention of the shareholders to the great fall which had taken place in the value of money since the period of their last meeting. They were all aware that it was then about 9 per cent. and that it was at present about 3½ per cent. He had no doubt that their attention had been directed to a very valuable article published in the *Economist*, which showed that all our great banking establishments, although their prospects were in some respects better than before, inasmuch as their resources were greater, had realised smaller profits during the last half-year than during the preceding half-year, or the half-year previous to that again. Under these circumstances the shareholders, he was sure, would be gratified to find that the directors were able to offer them the same dividend they had received upon the last occasion. (Hear, hear.) That result, it should be remembered, was attained not only under the prevalence of a lower rate of interest, but under an increase in the amount of the company's capital, and it must, therefore, be held to be specially satisfactory. (Hear, hear.) At the period of their last meeting the paid-up capital of the bank was £135,515; at present it was £176,795. Their deposits then amounted to £368,501; at present they were about £500,000; or, in other words, they

were greater by more than 50 per cent. They had at present 2,500 accounts, and since the last meeting the accounts had improved even more in quality than in number. (Hear, hear.) He had next to call the attention of the meeting to some changes which had taken place in the constitution of the board of directors. They had lost the valuable services of Mr. Johns; but the shareholders would be glad to know that they continued to possess his good wishes and his confidence, and that his retirement was in no way connected with any question affecting the position of the bank. There had, at the same time, been added to the board Mr. Zuccani and Mr. Schoombs. Those additions, it was confidently anticipated by the other directors, would prove of great advantage to the company; and they believed that if that meeting had been held a few days later they would have been able to announce the accession of names of even a still more important character, if that were possible. They had been so overwhelmed with country business at the head office in Regent Street that they had thought it advisable to take an office in the City; and they also believed that with such a change they would be enabled to obtain the addition to the board of some first-rate City names. That brought him to the suggestion thrown out at their last meeting by Mr Jones, of Wandsworth, that they should as early as possible undertake a regular City business. The directors were quite as anxious as any of the shareholders could be to enter upon such a course, but they did not think the time for it had quite arrived. They did not consider that it would be advisable they should make that important change while their resources were comparatively so limited, and so much employed in the country and in the suburbs of London; but they could assure the shareholders that whenever they might go in in that way they would go in in earnest, and with a determination to win. (Hear, hear.) Some of them would, no doubt, be surprised not to see their manager, Mr. Addison, among them that day, and it unfortunately happened that he was prevented by serious illness from attending; but he was with them in spirit, and they must all feel anxious that he should resume his valuable services at the earliest moment his health would permit. (Hear, hear.) He (the chairman) had only further to state that he should be ready to answer to the best of his power any questions that might be addressed to him; and, in conclusion, he begged leave to move the adoption of the report. (Hear, hear.)

Lord G. Paulet seconded the motion.

The motion was at once unanimously adopted.

Votes of thanks were then passed to the auditors, to the manager, and the branch managers, and other officers of the company, and to the board of directors.

The ordinary general meeting was then brought to a close, and the assembled shareholders resolved themselves into a special meeting for the purpose of considering the expediency of altering certain clauses in the company's articles of association.

The Chairman said the first resolution he had to submit to the special meeting was that, in the 44th clause of the articles of association, the words "February" and "August" should be substituted for the words "January" and "July." The object of the proposed change was to enable the directors to hold the half-yearly meetings of the company a few days later than they had hitherto done; and that delay itself became desirable in consequence of the remoteness of some of their branch banks.

The motion having been seconded, was at once unanimously adopted.

The Chairman next proposed, in substitution for clause 79 of the articles of association, a clause to the effect that there should be paid to

the directors by way of remuneration for their services the sum of £2,000 per annum, and that such remuneration might from time to time be increased by the shareholders at any general meeting. By the clause as it had hitherto stood the remuneration of the directors was to be increased with the rate of dividend that might be declared; but some of the shareholders had expressed their belief at the last meeting that that was not a desirable arrangement; and it was on that account that the present change was proposed.

The motion having been seconded,

A Shareholder asked what was at present the number of the board of directors.

The Chairman said that there were nine of them, and that they were empowered to raise the number to eighteen.

The motion was then unanimously adopted, and the business of the day was brought to a conclusion.

GENERAL CREDIT COMPANY, LIMITED.

THE ninth ordinary general meeting of shareholders in the General Credit Company, Limited, was held on the 1st August at the chief offices of the company, 157, Goswell-street; Mr. E. J. Thompson occupied the chair.

The secretary having read the notice convening the meeting, the minutes of the last ordinary meeting were read and confirmed.

The report, which was read by the secretary, stated that the share capital was wholly subscribed, and all calls had been duly paid. The deposit and drawing accounts were daily increasing, both in number and importance. The advance department fully kept pace with the growth of the resources of the company. The discount transactions had been largely augmented, and were proportionately profitable. The whole of the losses, which hitherto had been small in amount, had been charged to the year's account. Since the last meeting a valuable lease had been acquired of very convenient premises in Cheapside, at which branch offices had been opened. The total profits had been such as warranted the directors in recommending a dividend at the rate of 8 per cent. per annum, free of income tax; that the reserve fund be increased to £2,000; and that £100 be written off the new offices account.

The Chairman, in a speech of considerable length, moved the adoption of the report, congratulating the shareholders upon the success of the company's operations during the past year. He also referred to the steady progress of the company from its establishment up to the present time, and urged that the past results were the best guarantee of future achievements. With the dividend that day declared the original shareholders would, during the nine years of the company's existence, have received back £62 for every £100 subscribed, and still the share capital remained intact. They held good and sufficient security to cover all advances made.

Mr. Moore seconded the motion.

Mr. Arnett suggested that in future the report and balance-sheet should be printed and circulated amongst the shareholders a few days prior to the meeting.

The Chairman having explained that the suggestion of Mr. Arnett could not be carried out without altering the memorandum of association, the report was adopted, and the dividend at the rate of 8 per cent. per annum declared.

The retiring directors having been re-elected, Mr. Helford proposed that the remuneration of the directors be £500 for the past and all future years.

Mr. Percy seconded the resolution.

Mr. Sherray objected. He thought the remuneration rather too high. He would not, however, offer any amendment.

The resolution was carried.

The retiring auditors were then re-elected, and a vote of thanks to the secretary and other officers having been accorded, the customary compliment to the chairman concluded the business of the meeting.

LONDON AND COUNTY BANK.

THE ordinary half-yearly-meeting of the shareholders of this bank was held at the London Tavern, on the 3rd August; Mr. W. Champion Jones occupying the chair. The meeting was a very crowded one.

The report of the directors, which was taken as read, was as follows:—

"The directors have the pleasure to submit to the proprietors the balance-sheet of the bank for the half-year ending 30th June last. They have also to report that, after payment of all charges, interest to customers, and making ample provision for bad and doubtful debts, the net profits amount to £106,821. 3s. 1d., which, added to £18,629. 12s. 3d. brought forward from the last account, makes a total of £125,450. 15s. 4d. for appropriation. The directors have accordingly declared the usual dividend of 6 per cent., with a bonus of 9 per cent., making together 15 per cent. for the half-year, which will amount to £111,790. 8s. 4d., and leave £13,660. 7s. to be carried forward to profit and loss new account. They regret to announce the decease of their esteemed colleague Mr. Edward Higgins, and have to report that Mr. Edward John Hutchins has been elected a director in his stead. The dividend and bonus (together £3 per share), free of income tax, will be payable at the head office, or at any of the branches, on and after Monday, the 14th August."

Balance-sheet, 30th June, 1865.

<i>Dr.</i>		
Capital paid-up, £750,000; instalments unpaid, £105...	£749,895	0 "
Reserve fund, £250,000; instalments unpaid, £105 ...	249,395	0 "
Amount due by the bank for customers' balances, &c.,		
£10,904,272. 4s. 11d.; liabilities on acceptances,		
£2,998,434. 0s. 4d. ...	13,902,706	5 "
Profit and loss balance brought from last account,		
£18,629. 12s. 3d.; gross profit for the half-year, after		
making provision for bad and doubtful debts,		
£284,860. 2s. 4d. ...	303,430	14 "
	<u>£15,205,935</u>	<u>19 10</u>
<i>Cr.</i>		
Cash on hand, at head office and branches, £1,531,962. 13s. 4d.;		
cash placed at call and at notice, £1,098,924. 9s....	£2,630,887	2 4
Investments, viz.:—Government and guaranteed stocks,		
£1,005,714. 13s. 8d.; other stocks and securities,		
£113,495. 15s. ...	1,119,210	8 8
Carried forward ...	<u>£3,750,097</u>	<u>11 0</u>

Brought forward	...	...	...	...	£3,750,097	11	0
Discounted bills and advances to customers in town and country	11,163,912	15	10				
Freehold premises in Lombard Street and Nicholas Lane, freehold and leasehold property at the branches, with fixtures and fittings	...	...	...	...	132,305	1	11
Interest paid to customers...	...	...	...	...	74,213	11	0
Salaries and all other expenses at head office and branches, including income tax on profits and salaries...	...	...	...	...	85,457	0	1
					<u>£15,205,985</u>	<u>19</u>	<u>10</u>

PROFIT AND LOSS ACCOUNT.

Dr.

Interest paid to customers	...	...	...	...	...	£74,213	11	0
Expenses as above...	...	...	...	...	...	85,457	0	1
Rebate on bills not due carried to new account	...	...	...	...	...	18,368	8	2
Dividend of 6 per cent. for the half-year	...	...	...	...	...	44,716	8	4
Bonus of 9 per cent.	...	...	...	...	...	67,074	5	0
Balance carried forward	...	...	...	...	...	18,660	7	0
						<u>£303,489</u>	<u>14</u>	<u>7</u>

Cr.

Balance brought forward from last account	...	...	...	...	...	£18,629	12	8
Gross profit for the half-year, after making provision for bad and doubtful debts	...	...	...	...	...	284,860	2	4
						<u>£303,489</u>	<u>14</u>	<u>7</u>

The Chairman—Gentlemen, it is again my privilege to lay before you the progress of our institution, by drawing your attention to, and asking you to adopt, the report of your directors for the half-year ended on the 30th June last. Whether that report is or is not satisfactory, it is for the meeting to decide. Since we last assembled here much has happened in the commercial world to give commercial affairs a very anxious aspect. Many mercantile firms of great repute and of great wealth have had to call their creditors together in this metropolis, and also in the principal towns in the country. At the same time, events in the money market of India have contributed to the general distrust; but still we believe that all this is consistent with the average condition of the internal trade of the country. (Hear, hear.) The directors will not withhold from you the assurance which they feel due not only to the proprietary, but to the general manager and the leading officers of the bank, that our participation in all that has happened around us has been almost enviable. (Cheers.) Being essentially a country, and only partially a metropolitan bank, it is not to be wondered at, nor, indeed, is it presumptuous in me to state, that we have shared only in a minimum degree losses which have occurred. The general aspect of affairs at Christmas last determined us to take more than the ordinary precautions, and the best proof of this is the dividend we have declared, which we hope will be entirely satisfactory. (Cheers.) We have placed to profit and loss everything that seemed to be necessary; and both in December and June we laid by a small sum from profits for the purpose of meeting any then undetermined or contingent loss. We are always desirous, when circumstances will allow, to avoid any fluctuation in our

dividends. We are aware that great variations in the half-year's receipts are inconvenient, not only to the shareholders, but to the establishment itself, and we shall rejoice when we are able by the state of the accounts to avoid them. You will see by the figures placed before you to-day that the business is largely, substantially, and rapidly increasing. (Cheers.) Our cash balances from the public have augmented during the last six months to £1,100,000—a circumstance wholly without precedent in the concerns of a bank. (Cheers.) And I would give you this further assurance, that the directors see no cause whatever, either from increased competition or any other circumstance, to arrest the progress of the bank. (Cheers.) It should be borne in mind, referring to the question of dividends, that the average rate of discount at the Bank of England in 1864 was $7\frac{1}{2}$ per cent., and, as that is an unprecedented rate, it is not probable that a similar opportunity of making such dividends will speedily return. But of this the shareholders may be assured, that we will adhere to the Bank of England rates as closely as we can. Adverting to other matters, I may mention that we have in Ireland one estate still unsold, which we hope some day or other will produce £7,000 or £8,000, which will go to the credit of the account to which the sum belongs. The business of perfecting the title, especially as it involves the case of minors, is more tedious than was expected, but we trust the title will be perfected in a short time, and before we place the estate in the market, which we hope to be able to do before the close of the year. I may also mention a circumstance which occurred, rather peculiar perhaps, the day after the last meeting—namely, that Mr. Ayre gave notice that he intended to appeal to the House of Lords against the decision in our favour given by Lord Westbury as Lord Chancellor. But the whole thing has terminated there, and we have heard nothing further on the subject. We have opened new branches only in two instances—one at Bromley, Kent, on the 12th June, and the other at Blackheath, on the 24th of last month; but these are only sub-branches, and very inexpensive. The total number of our branches is now 145, and I have great satisfaction in saying that the directors are thoroughly satisfied that it is much better for us not to go into any new localities except under the influence of very extraordinary inducements. (Cheers.) We are thoroughly satisfied that the diligent prosecution and extension of the business of our existing branches is the wisest policy. (Hear.) I will now, if you please, refer to the balance-sheet. The total amount of cash balances from the public is £10,904,272, being an increase in the six months of £1,124,518. (Cheers.) The liabilities on acceptances are augmented by £556,835. I may say that two of the leading banks in India, for which we are the London correspondents, have a capital equal, and in one instance superior, to our own. Here I may remark upon a statement which has appeared to the effect that the London and Westminster Bank was the first to introduce the practice of separating the acceptances from the cash balances. We can all, I am sure, bear witness that this practice was first introduced by the board of the London and County Bank. (Hear, hear.) There has been a decrease in the half-year upon the profit and loss account of £3,097. The gross profits for the half-year amount to £284,861, showing a decrease since the last half-year of £67,194. Passing to the credit side of the account, I find, as regards the two items, "cash in hand" and "cash placed at call," that there is an increase upon those two sums, taken together, of £176,228. (Hear, hear.) With respect to investments in Government, guaranteed, and other stock, there is an increase of £157,803. Discounted bills and advances to customers in town and country amounted upon this occasion to £11,163,912. (Cheers.) The increase in

this important branch of our daily operations is continual and steady, and the addition in the last six months is £1,330,865, which I doubt not is fully up to the average. (Hear, hear.) Under the head of "freehold and leasehold premises, &c.," there is an increase of £1,127, which arises almost wholly from fittings in the branches recently opened. In the interest paid to customers there is a reduction this half-year of £20,813, which is entirely owing to the lower rates of interest which have prevailed. With respect to the salaries and other expenses at the head office and branches, there has been during the last six months an increase of £7,114, but more than £6,000 of that of various additions which have been made during that period to the well-earned salaries of all your officers. (Cheers.) The profit and loss account, as usual, of items the principal part of which I have already gone through, including the dividend and bonus which have been declared by the directors—namely, at the rate of 30 per cent. per annum. (Cheers.) After making allowance for all these sums we carry forward £13,601 to the next account. The proprietors have already been informed of the loss of our esteemed colleague Mr. Edward Huggins. He was greatly respected among us; and I may mention that he brought many accounts to the bank, either himself personally, or through his connection. We have had the satisfaction of filling up his place at the board by the election of Mr. Edward John Hutchins, who is chairman of the Rhymney Iron Company, and a director of the London and South-Western Railway. He has been known for years to some of your directors, and, knowing his business and other qualifications, we place his nomination before you with peculiar satisfaction. (Cheers.) There is one part of our affairs which is always of particular interest, because it affords a test of the progress of the bank—I mean the number of accounts. (Hear, hear.) The total number of accounts kept with the bank in town and country on the 30th June is 44,616; there having been an addition during the six months of 2,844 new accounts. (Cheers.) The position of the directors is becoming more responsible and laborious with the rapidly increasing business, and they entertain a very confident hope that the profits which are likely to arise in the future career of the London and County Bank will be such as will compare as favourably as they now do with those of the first establishments of the same character either in this metropolis or elsewhere. (Cheers.) Before I sit down there is one other gratifying circumstance I would wish to mention. You all recollect and had great respect for our friend Mr. Cory, who died about a year and a half ago, and his daughter, who died within the last week or two, has left £500 to the provident fund of this establishment. That is an instance of gratitude to the bank, which, I think, deserves to be remembered, and ought to be duly appreciated. (Cheers.) The chairman, having expressed his readiness to answer any questions, moved the adoption of the report.

Mr. Bligh seconded the resolution for the adoption of the report and the balance-sheet, and no one having risen to address the meeting,

The Chairman, after a short pause, put the motion to a show of hands, when it was carried amidst cries of "all, all," and general cheers.

Mr. Peede, as a shareholder, said he felt the time had come when he could propose a resolution which he had had under consideration for some time past. Taking the year 1854 as a starting point, he found that the bank had now doubled the capital it had then, that it had 145 branches instead of 77, that its profits had risen from £41,775 to £166,995, that the dividends had been trebled, or raised from £10 to £30 per cent. per annum, and that the shares had been largely augmented in value. He thought, under these circumstances, the time had come to vote an increased

remuneration to the directors, and without another word, he would move that £2,000 additional be paid to the board for their services, such payment to date from the 1st of January last.

Mr. Potter seconded the resolution, which was immediately put and carried unanimously, amidst loud applause.

The Chairman, on behalf of himself and colleagues, thanked the meeting for that proof of confidence which, indeed, he thought would not be withheld because the directors were not likely to be the last to participate in the prosperity of the bank, seeing the labours they had to undergo in connexion with its increased and increasing business. (Cheers).

A cordial vote of thanks to the chairman terminated the business.

CONTINENTAL BANK CORPORATION, LIMITED.

An extraordinary general meeting of the shareholders in this company was held at the London Tavern, on the 7th August, in order to consider the propriety of winding-up the company voluntarily; Mr. William Walter Cargill in the chair.

The Chairman said the meeting was convened for the purpose of placing the bank in liquidation, under the provisions of the Act of Parliament. It had been held sooner, perhaps, than it otherwise would have been in consequence of the requirements of the Stock Exchange, who could not fix a time for a settlement in the shares of the London and Mediterranean Bank with which it was proposed to amalgamate, until the determination to be now come to was formally known. The whole of the shareholders had already been made acquainted with the terms of the arrangement by which the London and Mediterranean Bank took up the business of the Continental Bank Corporation, and nine-tenths of their number had given their assent to the proposed winding-up of the latter; but still, as a matter of form, it was necessary that he should move the following resolution, viz.:—"That the Continental Bank Corporation, Limited, be wound up voluntarily."

Mr. W. J. Maxwell seconded the motion, which was then put and unanimously agreed to.

The Chairman said it would be necessary to hold another meeting to confirm the resolution passed that day, and that meeting they intended to call for the 25th August, when the directors expected to be able to lay before the shareholders the accounts of the company made up to the time of the amalgamation with the London and Mediterranean. At their last meeting the directors had to report a loss to the amount of £13,000 odd. By the arrangement, however, with the new company that sum would be provided for in the sale of the goodwill of the business of this company, and if, upon realising the estate, there were any balance of profit, the directors would be glad to give it to the shareholders in the shape of a dividend.

The proceedings then terminated.

EUROPEAN BANK, LIMITED.

The half-yearly meeting of the shareholders in this bank was held at the London Tavern on the 7th August; Mr. Charles Bye Colchester in the chair.

The report, which was read, said :—

"The directors have the pleasure to submit to the proprietors their third half-yearly report, ended 30th June last, which cannot fail to be considered otherwise than satisfactory. It will be perceived from the balance-sheet that the gross profits realised, including the sum of £2,271. 16s. 2d. brought forward from last account, amount to £50,446. 6s. 8d.; and that, after defraying expenses of management, directors' remuneration, rebate on bills, and making a full allowance for bad and doubtful debts, a net profit remains of £29,685. 6s. 9d. The directors recommend that £16,380. 15s. 9d. be applied for the payment of an interim dividend, being at the rate of 5 per cent. per annum, free of income-tax, that £3,200 be written off premises, purchase, and preliminary expense accounts, and that the balance, £10,104. 11s. be carried to profit and loss new account, to be dealt with at the close of the financial year, when the premium accruing from the transfer of the business of the late London, Birmingham, and South Staffordshire Bank will also be available. The directors continue to pursue the policy of seeking a sound business, and look with much satisfaction to the steady progress made during the past six months. It is very gratifying to the directors to find themselves in a position to report favourably as regards the branches, all of which have produced profitable results. The directors have to acknowledge many valuable accounts introduced to the bank by shareholders, in answer to an appeal made by the manager at the last meeting, and hope for a continuance of their support."

BALANCE-SHEET.

Dr.

Capital paid-up, 42,966 shares at £15	£644,490	0	0
Reserve fund	31,393	10	10
Unclaimed dividends	1,090	10	3
Amount due by the bank on current and deposit accounts ...	545,506	3	0
Amount due by the bank on bills payable	844,271	9	2
Amount due by the bank on foreign and other accounts ...	244,279	2	1
Balance of profit and loss account, being net profit	29,685	6	9
Total	£2,340,716	2	1

Cr.

Government securities and stocks at head office and branches	£60,576	19	10
Cash on hand at bankers and at call	148,946	17	2
Coupons on hand	23,161	15	8
Foreign money and bar silver	10,915	4	6
Bank premises, furniture account at head office and branches	14,508	17	5
Bills discounted and foreign bills purchased, the latter being calculated at the rates of exchange of the 30th June ...	893,176	9	3
Advances on English and foreign government stocks, sundry loans on securities, draft and foreign current accounts ...	1,634,666	6	11
Preliminary expenses	24,763	11	4
Purchase account	30,000	0	0
Total	£2,340,716	2	1

PROFIT AND LOSS ACCOUNT.

Dr.

Current expenses at head office and branches, directors' fees, and allowance for bad and doubtful debts...	£20,760 19 11
Balance	29,685 6 9
Total	£50,446 6 8
Dividend, at the rate of 5 per cent. per annum	16,112 5 0
Income-tax on the same	268 10 9
Amount written off for bank premises, purchase account, and preliminary expenses...	3,200 0 0
Balance to profit and loss new account	10,104 11 0
	£29,685 6 9

Cr.

Amount brought over from old account...	£2,271 16 2
Gross profits for half-year, after payment of interest to cus- tomers and rebate on bills	48,174 10 6
Total	£50,446 6 8
Balance brought down	£29,685 6 9

The Chairman said that it afforded him much pleasure to propose that the report and statement of accounts which had been circulated among the proprietors should be received and adopted. He could not but feel that the report would be equally satisfactory to them as to the directors, more particularly when they bore in mind the period of time which had elapsed since their last meeting. As they were aware, it had been a six months of very great commercial depression, and much heavy losses had been sustained by both banking and financial establishments. Notwithstanding these commercial calamities, he was glad to say that the European Bank had escaped without any great loss. Indeed, their loss had been altogether of such a trivial description that it was hardly worth notice. This must, he thought, be very gratifying to all connected with the bank, as it showed that the business must have been conducted with great caution and care. There was one item in the statement of accounts which might appear rather large. He alluded to the liabilities and acceptances, which amounted to £384,271. But when he told them that more than one-half of that amount was made of drafts drawn by their branches abroad on the head office, at from three days to one month, they would at once see that there was no risk from that source; on the contrary, it was one of the largest sources of profit. It afforded not alone a large revenue to the bank, but also showed that the credit of the bank abroad was increasing. During the past half-year their branches had all worked satisfactorily, and changes were making in the Paris branch which there was good reason to believe would yield good results. These changes were working most satisfactorily. He regretted that on account of some legal difficulties they had not been able to get possession of the premises at the back of the bank as yet, but the directors had been assured that the delay would not be more than a few days or a week longer. When they had possession of these premises the directors would be able to receive both the shareholders and their customers in a

befitting manner, and they would be enabled to conduct the business of the bank as it ought to be conducted. At present the directors felt that they should apologise for the many inconveniences which their customers had to suffer while transacting business at the bank, but this, he need not say, was entirely owing to the smallness of their premises. He hoped that this state of things would be entirely obviated before the end of the next six months. The directors continued to entertain the opinion that this was a successful company, and that the success which had already accompanied its operations would continue. In fact, they felt that that continued success was sure. The shareholders had only to continue that support to the directors which they had hitherto afforded to place the company in one of the first positions in the city of London. As far as the directors were concerned they would on their part do all that lay in their power to ensure that success, and he hoped that the shareholders would, by bringing accounts and deposits to the bank, give their assistance. He did not know that there was anything else worth referring to, and he would therefore conclude by moving that the report and statement of accounts presented be received and adopted.

Sir Robert Carden seconded the motion.

A Shareholder said the purchase account was put down at £30,000. He wished to know what that amount covered?

The Chairman said it covered the purchase of the English and Irish Bank in Dublin, and the Bank at Marseilles. It was proposed to write off £3,200.

A Shareholder said the bank premises, &c., were put down at £14,500, and inquired if any fresh purchases were included in that sum?

The Chairman: No.

The motion for the adoption of the report was then put and agreed to.

The Chairman then proposed that a dividend at the rate of 5 per cent. per annum be payable on and after the 21st inst., and stated that the warrants would be sent free of income-tax. He also expressed a hope that at the end of the year the directors would have a considerable sum to dispose of, and trusted they would be able to deal liberally with the reserve account and the shareholders in the shape of dividend.

The motion was put and agreed to.

Mr. King, in proposing a vote of thanks to the chairman and directors, said he regarded the report as very satisfactory, and considered the European Bank one of the most successful banks which had been established. If the shareholders assisted the directors as they had hitherto done, he felt confident that the establishment would achieve great results.

The motion having been put and agreed to,

The Chairman briefly acknowledged the compliment, and the proceedings then terminated.

CARLISLE CITY AND DISTRICT BANK.

THE directors of this bank have declared a dividend of £1. 2s. 6d. per share, for the half-year ending 30th June, 1865, being equal to 18 per cent. per annum. The profits for the half-year, after payment of expenses, amount to £6,978. 17s. 2d., being at the rate of £24. 1s. 3d. per cent. per annum. After paying the above dividend, and £480 for alterations, safes, and furniture at the two new branch offices, there will remain in the auxiliary fund a sum of £3,653. 15s. 6d. The guarantee fund now stands at £28,000.

Annexed is an abstract of the balance-sheet of the company for half-year ending 30th June, 1865.

LIABILITIES.									
Capital stock	...	...	...	...	...	...	...	£58,000	0 0
Deposits, balances of accounts, and notes in circulation	...	...	...	...	...	...	...	367,957	17 4
Guarantee fund	...	...	...	...	...	...	...	25,000	0 0
Auxiliary fund	...	...	...	...	...	...	...	1,894	18 4
Net profits for the half-year	...	...	...	...	...	...	...	6,978	17 2
								<u>£462,831</u>	<u>12 10</u>

ASSETS.									
Bank premises, old and new, and at Cokermonth	...	...	...	...	...	...	...	£7,133	9 7
Cash and bills in the bank, advances on securities, &c.	...	...	...	...	...	...	...	455,698	3 3
								<u>£462,831</u>	<u>12 10</u>

PROFIT AND LOSS AND AUXILIARY FUND.

<i>Dr.</i>									
Property and income-tax paid	...	...	...	...	...	...	...	£133	7 7
Dividend to 30th June, 1865	...	...	...	...	...	...	...	5,220	0 0
Auxiliary fund for alterations and furniture at new branches	...	...	...	...	...	...	...	490	0 0
Auxiliary fund for balance	...	...	...	...	...	...	...	3,653	15 6
								<u>£9,487</u>	<u>3 1</u>

<i>Cr.</i>									
Balance of auxiliary fund, on 14th February, 1865	...	...	...	...	...	...	...	£2,453	16 11
Net profits, 30th June, 1865	...	...	...	...	...	...	...	6,978	17 2
Transfer fees, &c.	...	...	...	...	...	...	...	10	12 0
Dividend on bad debt	...	...	...	...	...	...	...	43	17 0
								<u>£9,487</u>	<u>3 1</u>

Undivided profits as under:—									
Guarantee fund	...	...	...	...	...	...	...	£28,000	0 0
Auxiliary fund	...	...	...	...	...	...	...	3,653	15 6
								<u>£31,653</u>	<u>15 6</u>

JOINT-STOCK DISCOUNT COMPANY, LIMITED.

The fourth ordinary general meeting of the proprietors of this company was held on the 31st July at the London Tavern; the deputy-chairman, Mr. Wm. Charles Brown, presiding.

The Secretary, Mr. H. J. Westrup, read the report and accounts, which were as follows:—

“It is with great satisfaction, considering the difficulties which had to be surmounted in connection with the recent and protracted commercial crisis, that the directors find themselves enabled to present a statement of accounts, showing a gross profit of £54,073. 16s. 3d. inclusive of £3,243 2s. 11d. brought forward from last account. After deducting the rebate of

interest on bills not due and the current expenses, the balance has been appropriated for the payment of a dividend at the rate of 6 per cent. per annum, or 6s. per share, carrying forward £6,573. 4s. 7d. to profit and loss new account. The directors have set aside an amount as provision against loss in respect of bad debts which they consider will be amply sufficient for the purpose. Of the amount of the company's claim against the Leeds Banking Company, more than 10s. in the pound has been already received, and there is no doubt of the entire amount being realised, with interest. Mr. Joseph Bravo and Mr. H. V. East have been elected to fill the vacant seats at the board caused by the retirement of the late Mr. T. W. Henderson and the death of the late Mr. J. H. R. de Castro.

B balance-sheet, 30th June, 1865.

<i>Dr.</i>			
Capital—80,000 shares, £10 paid, £800,000; less unpaid calls,			
£9,006. 5s. 11d.	...	...	£790,993 14 1
Reserve fund	...	...	30,000 0 6
Amount due on loans, deposits, &c., &c.	...	...	2,897,600 12 4
Amount carried to profit and loss account, after making allowance for bad and doubtful debts	...	...	50,830 13 4
			<hr/> £3,769,424 19 11 <hr/>

<i>Cr.</i>			
Investments in Consols and cash at bankers	...	...	£306,802 9 10
Bills discounted, advances, &c., &c.	...	...	3,460,202 14 2
Lease, fixtures, furniture, &c.	...	...	2,419 15 11
			<hr/> £3,769,424 19 11 <hr/>

Profit and loss for the six months ending 30th June, 1865.

<i>Dr.</i>			
Current expenses, including salaries, rent, stationery, advertisements, directors' fees, auditors' fees, depreciation in value of lease and office furniture, income-tax, &c.	...	...	£6,517 2 11
Rebate on bills discounted not yet due—carried to interest new account	...	...	16,983 8 9
Dividend at the rate of 6 per cent. per annum	...	...	24,000 0 0
Balance carried to profit and loss new account	...	...	6,573 4 7
			<hr/> £54,073 16 3 <hr/>

<i>Cr.</i>			
Balance of profit and loss account, 31st December, 1864	...	...	£3,243 2 11
Balance of gross profits brought down	...	...	50,830 13 4
			<hr/> £54,073 16 3 <hr/>

The Chairman said that though the directors in the report said it was with satisfaction that they announced the dividend, they did not mean to say that the amount of 6 per cent. was in itself a matter of congratulation, but that it was satisfactory that they were in a position to make that announcement under the adverse circumstances which had recently prevailed. There had been many heavy failures during the last two half-years. The company had been in existence only about two years, and for

half that period there had been severe trials in the commercial world. If they had had seven years of good trade, and out of that only one year of difficulties, they would have stood in a very different and much more favourable position. They thought it satisfactory to have laid by such a sum as they had during such difficulties, and still have a balance of £6,500 to carry forward. Many shareholders had desired to have some new directors on the board. Two gentlemen had already joined the board. A third would join immediately, and with their assistance they would be able to get on more comfortably. It required a special capacity on the part of the men whom they appointed as directors. Some few of the shareholders objected to Mr. Rixon, their solicitor, being on the board. Mr. Rixon felt annoyed at the remarks that were made, and immediately on the first meeting of the board said he was perfectly willing to resign his post. The directors felt that Mr. Rixon's services were so valuable during a period of difficulty, in which he had shown great attention, that they could not justify themselves in accepting the resignation. The result was that he proposed Mr. Noyes, who is solicitor to the London Financial Association, and he was appointed solicitor to the company, jointly with Messrs. Rixon and Son. The directors were anxious for success, and would do what they could to ensure it, but wished the shareholders to contribute by bringing business and deposits. (Hear, hear.) He (the chairman) then moved that the report and accounts be received and adopted. The motion, he observed, would be seconded by the managing director, Mr. Wilkinson. It was to be regretted that that gentleman had not addressed them more frequently, for he was sure that the more they heard from him the better they would be satisfied.

Mr. Wilkinson, the managing director, seconded the motion. He said he thought it was right to let them know the way the company was getting on. They had been and were going on through very trying times. The state of the money market was worse than it was in 1847 or 1858; and taking all those things into consideration, and that they were a young company and had difficulties to surmount, it ought to be gratifying, in the present state of the discount market, when they had competition and opposition in the shape of financial companies which allowed higher rates for deposit, that they had taken the position they had, and had not paid a higher rate for money than other banks and discount companies. They could not give more than the bank of England, and it was essential that the credit of the company should be maintained. He did not believe they could have a repetition of those difficulties. If they did, the directors would be at their posts to assist him in overcoming them and making the company a great company. But they had surmounted great difficulties. Every discount company was opposing each other; but they had got £800,000 capital, which none of the others had. They had dividend to pay on it, but the confidence it inspired was sure to bring in persons with deposits. It was with deposits they made money. The £400,000 had helped them very much, and although financial companies were paying 5 per cent., 6 per cent., and 7 per cent., they could never afford to pay more for deposits than the bank rate of interest. Messrs. Gurney and Co. had turned themselves into a discount company. A letter had been sent to them asking, would Gurneys and Co. affect them? He said they would not. He maintained that discount companies would succeed if they hung together. With reference to the prospects of the company, they were opening new accounts, and they were making great progress. Some shareholders complained that their shares had fallen; but if they only looked into the state of things for the last six months, there was not a

concern in London that had not gone down 6, 7, 8, or 10 per cent. The Alliance Bank was at 11 premium, and it was then at 3 or 4; the City Bank was at 125, and was then at 105; the Bank of London was at 160 and 162, and it was then at 138. So with the London Joint-Stock Bank, and many others, and a comparison will show that this Company has gone down the least. Many persons holding shares were disheartened. But they must stick to their property. If they adopted that course, he was satisfied this would be a great concern. A shareholder has remarked, on his name appearing as director of another company, which, however, he belonged to long before this company started. The way to make a concern prosper was to extend its connections and business; and with this view, and assuming he was offered a seat on the direction of any bank that could do this company good—so long as the interests of the Joint-Stock Discount Company were not neglected—he should not hesitate to accept it, as his great aim was to raise this company in the estimation of the public, and with their help and confidence he would make it a great concern. (Hear, hear.)

Mr. Slater believed this was not the end of the financial year. He wished to ask whether the two new directors elected would be subject to confirmation by the shareholders. He wanted to know the remuneration given to the directors and managing director. John Fisher, Esq., was a director. What had become of him? He objected to a dividend of 6 per cent., and moved as an amendment that it should be 7 per cent. instead of 6 per cent. Their expenses were largely increased. This was not a new institution. It was a limited company. As a joint-stock company they paid for an old business, and paid a handsome sum for it. He saw a falling off of half a million on deposit and loans, and the National Discount, with a capital of £600,000, had a reserve of £300,000, and they with a capital of £800,000, had only a reserve fund of £30,000. There had been a depression in their shares of £2 per share. This company was not like other discount companies, which had been formed for the clique bringing them out, and not for the advantage of the shareholders. He also inquired whether they had any recognised chairman.

Mr. Galsworthy said the directors might well congratulate the shareholders on the satisfactory statement made by the managing director. It appeared on examination they had been doing a very sound business. Taking the operations of the company in three periods, and taking the capital at £3,400,000, the profit was 86 per cent. Then, taking it at £3,300,000, the profit was 83 per cent.; and then, when the capital was £3,347,000 it was 1 per cent. Mr. Slater had spoken of a falling off in the deposits and loans, and he thought if they would compare the statement they would find the deposits had increased, and not fallen. The amount of profit by the working of the company, looking at it with precise figures, during the first three years was very much the same, and increased from decimals to one per cent., and that being spread over the capital it would be more than they had ever received before, except for the fact that the capital was so extremely large. The purchased business was a small business as compared with the present business of the company, and he thought they should distribute the dividend the directors recommended. He asked them not to jeopardise anything, but to receive the dividend recommended by the directors.

The Chairman said that the directors had thoroughly considered the subject of the dividend, which rested with them to declare. Mr. Slater had referred to the surplus. They thought it better to let it go to the end of the year, and then decide what was to go to the reserve fund.

As to the newly-appointed directors, those appointed did not require confirmation. Mr. Fisher some time ago expressed a wish to retire, and he did so. The remuneration of the directors was fixed by the articles of association. The managing director had a minimum of £3,000 per annum. It had been a matter of complaint that their expenses had been £1,600 in excess. He could not say what the increase was. They had increased their capital, and their business was very considerable, and required to be well and carefully managed. He did not think they could go on without some additional assistance. As to the falling off in the loans and deposits, it was impossible to give details how they arose. It was from the state of business at the time; more loans were required at one time than another, according to the amount of bills on hand. The profits were not so large as those of last year, but if any gentleman wished for information he would recommend him to read the *Economist*, which gave a detail of the various large banks, and how much their profits had fallen off during the last half-year, and he should be sorry if an equal falling off had taken place in the profits of this company. (Hear, hear.) They had no debt of Cave Williams's for £25,000. They had bills with Cave Williams's name at the back of the paper. But they had other names to the same paper, and they were not under any apprehension upon that point. (Hear, hear.) Since Mr. Henderson, their late chairman, had left, no chairman had been appointed. He (Mr. Brown), as vice-chairman, had been selected to act, and if any gentleman of high commercial standing, and one who by his connection could increase the business of the company were brought forward, he would not stand in his way.

A Shareholder—Can you give us any information about the unpaid call?

The Chairman said that out of £400,000, the amount of the call, there was about £9,000 unpaid. They had not yet thought it necessary to press the shareholders who were in arrear, but probably they might shortly find it desirable to put "the screw on." In the meantime the defaulters were paying interest at the rate of 10 per cent., and as the directors held the shares as security, he did not see that there was any ground for anxiety on that score. (Hear, hear.)

The report and account were unanimously adopted.

After a vote of thanks to the chairman and directors, and a separate vote of thanks to the managing director, Mr. Wilkinson, the proceedings terminated.

HAMPSHIRE BANKING COMPANY.

THE thirty-first Annual General Meeting of the shareholders of this bank was held at Southampton on the 1st August, Mr. George Hunt in the chair.

The following report was read:—"The Directors have pleasure in laying before the shareholders their annual account of the affairs of the bank, made up to the 30th of June, 1865. The profit upon the year's business, after paying the current expenses and writing off bad debts, amounts to £26,400. 5s. 10d., from which the sum of £8,522. 10s. has already been taken and distributed for the annuities and dividend for the six months ending 31st December last, leaving an available balance of £17,877. 15s. 10d. which it is proposed to deal with in the following manner, viz.:—

£1,000	to the new building fund.
£3,000	to the payment of half-year's annuities.
£6,886 13s. 4d.	to the payment of a dividend at the rate of 10 per cent. per annum.
£3,250	in payment of a bonus of 7s. per share upon the old and new shares without distinction.
£1,761 2s. 6d.	to be carried over to the next account.
<hr/>	
£17,877 15s. 10d.	
<hr/>	

The guarantee fund has been increased by the addition of £15,466 for premiums received on shares, and £1,030. 10s. 3d. for interest, and amounts to £50,591. 3s. 7d., and the directors recommend that it should still be permitted to accumulate, at the least by the addition of its own interest. The liabilities and assets shown in the accounts to be submitted to the meeting, have undergone the customary careful examination of a committee of the directors, and the board submit them with confidence, believing them to be a *bonâ fide* and reliable representation of the affairs of the bank. The lamentable instances of mis-management which have been developed during the last few years, one of which has recently occurred in the immediate neighbourhood, have made the directors keenly sensible of their responsibilities and of the hazard attending the submission of accounts to which due consideration has not been given, and they have striven to use the best means for securing accuracy and truthfulness, as well as for obtaining for themselves the fullest information upon all matters relating to the company. To this end they determined upon appointing two general managers in the place of one; and upon inviting Mr. Atkins, their late manager, to take a seat in the direction, to aid the board by his experience. The failure of the South Hants Bank, at Portsea, presented a favourable opportunity for opening a bank in that town, and the directors have already succeeded in attaching to it a sufficiency of business to render it remunerative, independently of the support which it gives to the other branches of the company in that particular district. The business of the bank having increased so greatly during the last few years, the directors intend to issue reports at the making up of the December half-year; in order that in future the shareholders may be informed at shorter intervals of the progress making by the company."

LIABILITIES AND ASSETS.

Dr.

Amount due to proprietors for paid-up capital	...	...	150,000	0	0
Guarantee fund	...	...	50,591	3	7
Amount due on deposits and current accounts and on drafts issued	...	...	1,145,945	3	11
Interest due on deposits	...	...	8,516	5	10
Gross profit	...	...	48,473	19	1
			<hr/>		
			£1,403,526 12 5		
			<hr/>		

Cr.

Bills discounted, advances on securities and loans	...	...	1,124,571	13	11
Freehold banking premises, furniture, and fittings	...	...	23,533	7	4
			<hr/>		
Carried forward	...	...	£1,148,105	1	3

Brought forward ...	£1,148,105	1	3
General expenditure of the company, including income-tax, allowance to directors, and amount carried to new building fund ...	21,127	11	1
... ..	8,522	10	0
Annuities and dividends paid to Dec. 31, 1864 ...	69,615	9	9
Government securities, railway debentures, &c. ...	156,156	0	4
Cash in hand and at call ...			
	<u>£1,403,526</u>	12	5

Account of Profit for the year ending 30th June, 1865.

<i>Dr.</i>						
General expenditure	...	...	...	...	...	£18,289 18 6
Allowance to directors	...	...	...	...	...	1,200 0 0
Income-tax	...	...	...	...	...	637 12 7
Portion of expense of new building	...	...	...	...	...	1,000 0 0
Rebate of interest on bills discounted	...	...	...	...	...	1,946 2 2
Shareholders' annuities paid for the half-year ending 31st Dec., 1864	...	...	...	...	...	3,000 0 0
Shareholders' annuities for the half-year ending 30th June, 1865	...	...	...	...	...	3,000 0 0
Dividend of 10 per cent. per annum for half-year ending Dec. 31, 1864	...	...	...	...	...	5,522 10 0
Dividend of 10 per cent. per annum for half-year ending June 30, 1865	...	...	...	...	...	6,866 13 4
Bonus of 7s. per share	...	...	...	...	...	5,250 0 0
Balance carried to next half-year's account	...	...	...	...	...	1,761 2 6

[illegible]

GUARANTEE FUND.

GUARANTEE FUND.						
Amount as per last account	...	...	...	...	...	£34,084 13 4
Amount received for premiums on shares	...	...	...	...	...	15,466 0 0
This year's interest	...	...	...	...	...	1,030 10 3
						<hr/>
						£50,581 3 7

The report was unanimously adopted, and the appointment of Mr. Thomas Keeping and Mr. Richard Legg as joint managers, in the room of Mr. Atkins, who retires, was confirmed.

Cordial votes of thanks were given to the chairman and board of directors, to the managers, and other officers of the establishment, and the proceedings terminated.

CUMBERLAND UNION BANKING COMPANY, LIMITED.

The thirty-sixth ordinary general meeting of this company held at the County Hotel, Carlisle, on the 3rd August; Mr. George Head Head, in the chair.

The following report and balance-sheet were submitted:—

"The books and accounts have been audited by Messrs. Quilter Ball and Co., who spent a fortnight in making a most searching investigation, and a copy of the statement of accounts certified by them is annexed hereto. The net balance at the credit of profit and loss account for the year, after

writing off all bad debts, amounts to £28,246. 0s. 9d. An intermediate dividend of £4 on the old shares was paid in February last which absorbed £8,000, and a further sum of £4,178. 6s. 7d. is required to pay the interest at 5 per cent. on the new share instalments. After these payments there remains available the sum of £16,067. 14s. 2d., out of which the directors have the satisfaction of recommending a dividend of £5 per share (payable on Monday, the 7th August), absorbing £10,000 (making, with the dividend in February, £9 per share on the old shares), and they propose that £6,000 be appropriated to form a contingent fund to meet existing doubtful debts, and the balance of £67. 14s. 2d. to be carried forward to the current half year's account. The directors are glad to be able to congratulate the shareholders upon the results of the important steps authorised to be taken by the extraordinary meeting in December last, by which the old established business of Messrs. J. M. Head and Co. was acquired, the liability of the shareholders defined, and the co-operation and assistance of gentlemen of wealth and standing in the county thereby secured as shareholders and directors. The demand for shares so greatly exceeded the number at the disposal of the directors for allotment, that in a majority of cases the applications had to be curtailed, and many altogether declined. The calls have been paid up with a punctuality almost unexampled, and, as the accounts show, the small amount unpaid at the date of the last call on 30th June has since been received. It is worthy of remark too, that this large sum of additional capital and premiums (upwards of £220,000) has been received with scarcely any perceptible diminution in the amount of deposits or credit balances."

General Balance, 30th June, 1865.

Dr.

Capital paid-up, £225,000; less calls received after 30th June, £5,660	...	...	...	...	£219,340	0	0
Reserve or guarantee fund—amount on 31st December, 1864, £20,195. 18s. 2d.; amount transferred from premiums on new shares in order to bring this account up to £60,000; £39,804. 1s. 10d.	...	...	...	...	60,000	0	0
Deposits on receipt and current account balances	...	...	...	...	965,304	3	8
Bank buildings redemption fund	...	...	...	...	1,400	0	0
Messrs. J. M. Head and Co. amalgamation account	...	...	...	...	57,700	0	9
Notes in circulation	...	...	...	...	32,060	0	0
Balance of net profit, £28,246. 0s. 9d.; less dividend of £4 per share paid in February, £8,000	...	...	...	...	20,246	0	9
					<u>£1,356,050</u>	<u>5</u>	<u>2</u>

Cr.

Cash on hand at head office and branches	...	...	...	...	£49,493	15	0
do. at call and on security at short notice	...	...	...	...	316,294	9	8
Bills discounted, customers' balances, &c.	...	...	...	...	901,153	7	8
Investment of reserved fund, viz., £33,333. 6s. 8d. Consols at 90, £30,000; other investments, £30,240. 5s.	...	...	...	...	60,240	5	0
Bank property at Carlisle and branches	...	...	...	...	28,215	11	7
Bill and other stamps on hand	...	...	...	...	652	16	3
					<u>£1,356,050</u>	<u>5</u>	<u>2</u>

1102 *Birmingham Town and District Banking Company.*

Profit and Loss Account for the year ending 30th June, 1865.

Dr.

Expenses at head office and branches, including bad debts...	£10,852 16 8
Interest on deposits and credit balances and rebate on bills ...	20,678 0 9
Dividend of £4 per old share paid in February ...	8,000 0 0
Interest at 5 per cent. on new share instalments ...	4,178 6 7
Carried to contingent fund account ...	6,000 0 0
Present dividend of £5, making £9 per old share for the year ...	10,000 0 0
Balance carried forward ...	67 14 2
	<hr/> £59,976 18 2 <hr/>

Cr.

Gross income at head office and branches during the year ...	£59,976 18 2
	<hr/> £59,976 18 2 <hr/>

The report was unanimously adopted.

BIRMINGHAM TOWN AND DISTRICT BANKING COMPANY.

THE twenty-ninth annual general meeting of the proprietors of this bank was held at the Queen's Hotel, on the 8th of August; Edwin Gwyther, Esq. in the chair.

The following report was read:—

"The directors of the Town and District Bank have called the shareholders together to submit their twenty-ninth annual report, showing the operations of the bank for the past year ending 30th June. The directors, upon a careful examination of the accounts, have the satisfaction to state that after writing off from the gross profit a sufficient sum to cover the bad debts, and paying income-tax and all charges connected with the conduct of the business, there remains a net profit of £24,157. 0s. 8d., being more than 20 per cent. on the paid-up capital of the company; to this must be added the sum of £2,376. 15s. 7d., being the amount carried forward from undivided profits of the former year, and also the sum of £8,435, arising from premiums on shares allotted to various applicants who promised to exercise their influence in favour of the bank. The above amounts make a gross total of £34,968. 16s. 3d., and the directors are of opinion that it will conduce to the interest of the bank to carry a large sum to the guarantee fund, and to pay a dividend for the last half-year of 9s. per share, free of income-tax, which, with the dividend, of 9s. and bonus of 3s. per share, paid in March last, will make 21s. per share on the year's trading. Should the dividend, as now recommended, be adopted by the shareholders, the distribution of the gross amount of £34,968. 16s. 3d. will be as follows:—

Half-year's dividend at 9s. per share, paid in March last ...	£8,586 0 0
Bonus of 3s. per share, ditto ...	2,862 0 0
Dividend proposed to be paid, on or after 1st September, of 9s. per share ...	8,671 10 0
Building fund ...	100 0 0
Guarantee fund from premiums on shares, £8,435; ditto from profits of the present year, £1,565, ...	10,000 0 0
Balance to next year's profit and loss account ...	4,749 6 3
	<hr/> £34,968 16 3 <hr/>

"The guarantee fund, which stood last year at £66,500, will, by the proposed addition of £10,000, amount to £76,500. It is with feelings of deep regret that your directors have to announce the resignation of their late manager, Mr. Bassett Smith, who for nearly thirty years, with untiring energy and great ability, conducted the business of the bank; and, as a mark of the high estimation in which his exertions are held, your directors recommend that a pension of £600 per annum be paid to him during the remainder of his life. His advanced age was the only reason which induced him to relinquish the post which he so long and ably filled. The directors have, however, the satisfaction to announce that Mr. Smith has consented to take a seat at the board as a supernumerary director. The directors, after a careful consideration of the testimonials submitted by a large number of candidates for the vacant managership, came to the unanimous opinion that those sent by Mr. Thomas Barney, of the Stamford, Spalding, and Boston Bank, and previously of the London and Westminster bank, were the most satisfactory; therefore they proceeded at once to confer the appointment on him. The directors have much pleasure in stating that, from the experience they have already had of Mr. Barney's qualifications, they are convinced that he is eminently adapted for the managership of the bank."

The following resolutions were carried:—

Moved by the Chairman, and seconded by Mr. J. C. Woodhill, "That the report now read be received and approved, and that a printed copy be forwarded to each of the shareholders."

Moved by the Chairman, and seconded by Mr. Samuel Evans, "That a dividend of 9s. per share, free from income-tax, be now declared for the half-year, payable on and after the 1st of September next."

Moved by Mr. Henry Elwell, and seconded by Mr. Charles Dudley, "That the thanks of the proprietors be presented to the directors for their services during the past year."

Messrs. Thomas Penn and Richard Parry having reported that Messrs. John Aston, C. R. Cope, and D. S. Hasluck had been re-elected as directors,

It was moved by the Chairman, and seconded by Mr. R. H. Sumner, "That the thanks of this meeting be given to Messrs. Thomas Penn and Richard Parry for their services in examining the votes for the election of directors."

Moved by the Chairman, and seconded by Mr. J. O. Bacchus, "That the best thanks of this meeting be given to Mr. Bassett Smith, the late manager, for his services during the past year, and for the zeal and energy he has displayed in conducting the affairs of the bank ever since its formation."

Moved by the Chairman, and seconded by Mr. Samuel Rawlins, "That the best thanks of this meeting be given to Mr. F. C. Bourne, the sub-manager, for his attention to the duties of his office."

Moved by Mr. J. O. Bacchus, and seconded by Mr. John Manly, Jun., "That the best thanks of this meeting be given to Edwin Gwyther, Esq., for his services in the chair."

ENGLISH JOINT-STOCK BANK, LIMITED.

A second ordinary general meeting of the shareholders of this bank was held at the London Tavern on the 14th August; Captain Mangles in the chair.

The following is the report of the directors for the half-year ending on the 30th of June last :—

"The directors, in presenting their report, refer with satisfaction to the progress the bank has made during the past half-year. Since the last report was issued the number of places where the business is carried on has been increased from 26 to 34, whilst in the same period the number of customers has increased 33 per cent., and the amount on current and deposit accounts nearly 50 per cent. Notwithstanding the low rate of interest that has prevailed during a great portion of the time, the annexed statement shows the gross profit for the half-year ending the 30th June, 1865 (including the premium on new shares received up to that date), to be £24,965. 10s. 6d. After deducting interest paid to customers on deposit and current accounts, current expenses, rebate on bills, and providing for bad debts, the directors recommend the payment of a dividend at the rate of £6 per cent. per annum, free of income-tax, on the paid-up capital, which will absorb £3,000; that £352. 1s. be written off the preliminary expenses, and £1,317. 10s. off the purchase of the old banks and expenses of establishing new branches, being in both cases at the rate of £10 per cent. per annum; and that the sum of £5,500 be carried to the reserve fund. This will leave £1,054. 12s. 4d., together with rebate £835. 18s. 10d., making the sum of £1,890. 11s. 2d. to be carried forward to profit and loss account. The dividend will be payable on and after the 15th August."

The Chairman, in moving the adoption of the report, stated that the bank was in a most flourishing condition. The number of customers was increasing, as also was the number of current and deposit accounts, and as ample provision had been made for bad debts, he thought it was every reason for congratulating the proprietors upon the position which they stood. On the 31st of December the number of accounts was 1,908, and on the 30th of June it was 2,555, showing an increase of 66. The deposit and current accounts, which on the 31st December amounted to £279,366, had increased by the 30th June to £412,089, showing an increase of £132,723. Since then 207 new accounts had been opened, and £28,506 paid in. As this was not a time to expect large deposits, he thought the directors might congratulate the proprietors on having their report so favourable a result. It was stated in the report that the number of places where the business of the company was carried on had been increased from 26 to 34. Between the 31st December and the meeting of the company in February, they had opened branches at Bristol, Poole, Haslemere, Rochester, and Chobham. Since February new branches had been opened at Derby and Notting-hill, and they had bought the Bulfinch Bank. One of their purchases had been the West Surrey Bank, and he was glad to say that since it had come into their possession the deposit had been increased from £137,000 to £170,000, showing that they had purchased an old, rotten, and worn out concern, but a business substantially good and sound in itself. He begged to move the adoption of the report.

Mr. Lawrie seconded the motion.

Mr. Budden asked for information with regard to the amount of remuneration paid to the directors, and the salaries of the general manager and secretary.

Mr. Kemp, one of the auditors, said the remuneration to the directors consisted simply of the amount voted at the last meeting.

The Chairman said the salary of the general manager had been raised to £1,500 a year. That of the secretary was £300 a year.

Mr. Budden was glad to hear that the remuneration of the general

manager had been increased. He thought the managers generally were underpaid.

The Chairman remarked that in the infancy of the company it was necessary to begin cautiously, and to feel their way. The moment they felt justified in increasing the salaries of their officers they would only be too happy to do so.

Mr. Broad urged upon the directors the necessity of having an establishment of their own in London, instead of the agency of the City Bank.

Mr. Sharp expressed a similar opinion, and proceeded to criticise the statement of accounts. He said they professed to have a balance of gross profits amounting to nearly £25,000, but he did not think it fair to include with the profits an item of £7,258, representing premiums received on new shares up to the 30th June. He was afraid they were distributing a portion of the capital of those who took new shares in order to put it in the pockets of those who had not taken them. (Cries of "No, no.")

The Chairman explained that the accounts were perfectly correct. The net profit amounted to £11,224, and of that sum they had held back £5,500 as a reserve fund. The dividend they recommended was a fair and honest one, or it would not have received the sanction of the directors. The question raised by Mr. Broad as to the propriety of having an establishment of their own in the City of London was one which at the present moment was receiving the careful consideration of the board.

Mr. Budden asked what premium had been paid for the Bideford Bank.

The Chairman declined to enter into details, but said the premium amounted to three and a half years' purchase. He thought they had obtained a very good bargain.

The motion was then agreed to.

The Chairman next moved that a dividend at the rate of 6 per cent. per annum be declared and paid.

Mr. Lawrie seconded the motion, which was unanimously agreed to.

The proceedings then terminated with a vote of thanks to the board of directors and the managers of the company.

ENGLISH, SCOTTISH, AND AUSTRALIAN CHARTERED BANK.

THE twenty-fourth ordinary meeting of the proprietors of this bank was held at the London Tavern, on the 31st July—George Hay Donaldson, Esq., in the chair.

The following report was read :—

"The accounts of the bank for the half-year ending in the colonies on the 31st March, and in London on the 30th June, show a balance of profit of £22,538. 17s. 7d., after making provision for bad and doubtful debts. The directors regret that the necessity has arisen for writing off a further sum to meet loss from failures referred to in the last report, the effect of which is to make the result of the operations for the six months under review less favourable than had been anticipated. They are disposed, however, to regard as exceptional the present reduction in the amount available for distribution, and have confidence in the expectation that the future profits of the bank will admit of an increased dividend being maintained. They, therefore, recommend that out of the balance of £22,538. 17s. 7d. a dividend be paid at the rate of 7 per cent. per annum, free of income tax, on £600,000, the paid-up capital of the bank, which

1106 *English, Scottish and Australian Chartered Bank.*

will require £21,000; that the premises and furniture accounts be reduced by £1,000, and that £538. 17s. 7d. be brought forward to the current half-year."

LIABILITIES.

Paid-up capital	...	...	...	...	£500,000	0	0
Deposits	...	...	...	...	837,094	10	7
Bills payable and other liabilities	...	...	...	...	135,726	10	10
Circulation	...	...	...	...	97,432	0	0
Reserved fund	...	...	...	...	50,000	0	0
Amount carried to profit and loss account	...	...	...	...	34,371	6	11
					<u>£1,754,624</u>	8	4

ASSETS.

Bills receivable (including the estimated value of those over- due), loans on security, cash at bankers', &c.	...	...	...	...	...	£1,534,438	16	4
Specie and bullion	...	...	...	...	...	163,744	6	4
Bank premises and furniture	...	...	...	...	...	56,441	5	4
						<u>£1,754,624</u>	8	4

PROFIT AND LOSS ACCOUNT.

Current expenses in Melbourne, Sydney, Adelaide, and sub-branches	...	...	...	...	...	£9,097	15	0
„ London, including directors' remuneration and income-tax	...	...	...	...	...	2,734	11	4
						<u>£11,832</u>	9	4
Balance	...	...	...	...	...	22,532	17	7
						<u>£34,371</u>	6	11
Amount brought down	...	...	...	...	...	£34,371	6	11
						<u>£34,371</u>	6	11

The Chairman, in moving the adoption of the report, said he was glad it fell to his lot to state on the present occasion that the directors at length felt justified in recommending a 7 per cent. dividend. The directors had hitherto been very cautious, and he thought they would now receive credit for having rightly and duly considered the matter before coming to this decision. At the last meeting a sort of pledge was given that when the reserve fund had attained the respectable figure of £50,000, at which it now stood, the directors would look to increasing the dividends rather than to augmenting the reserve. Hereafter occasions would arise when both objects would be attended to, and while, as he hoped they would be able to do, they sustained the same rate of dividend they would find opportunities of further increasing the reserve. He was one of those who were partial to a large reserve; they were all partial to good dividends, and he trusted they would be able to carry out both objects. (Hear, hear.) He moved that the report and balance-sheet now read be received and approved, and that the dividend, as recommended in the report—

viz., at the rate of 7 per cent. per annum, free of income tax, and payable on and after the 7th August—be declared.

The motion having been seconded,

In reply to a shareholder,

The Chairman added that the bad debts referred to in the last report were, so far as the directors knew, entirely swept away.

A suggestion made by a shareholder, that the value of the premises in Cornhill should be stated in the accounts, the chairman promised should be attended to, adding that the premises, which cost them £6,000, were now worth at least £20,000.

The motion was unanimously agreed to, and a vote of thanks to the chairman and directors concluded the proceedings.

EASTERN EXCHANGE BANK.

A SPECIAL meeting of the Eastern Exchange Bank was held on the 14th August, at the bank premises, Cook Street, Liverpool; Mr. Patrick Hunter, chairman of the board of directors, presided.

The following report was read:—

"The directors have the pleasure to lay before the proprietors an audited statement of accounts to the 30th June, 1865, showing a balance of net profit of £6,600. 11s. 4d. which they propose to carry forward to next account. It will be seen that the gross profit for the half-year, £13,876. 1s. 0d., is at the rate of 14 per cent. per annum. In framing the accounts, it has been necessary on this occasion (owing to the temporary absence of constituents from Egypt, in consequence of the epidemic lately raging there), to include commissions to the extent of £4,000, earned in Alexandria, based on the manager's estimate, who represents that the actual sum is over rather than under the amount stated. Although the time during which the bank has been in full operation in Alexandria does not exceed four months, in consequence of the cessation of business during the crisis in the early part of the year, the directors are satisfied that its foundation has been successfully laid. This has been done at moderate cost, and without any payment for goodwill. The business transacted has been free from bad debts, if they except one dependency, now in course of liquidation, on which it is possible they may sustain a loss of from £1,000 to £1,500. There are, however, circumstances which induce them to hope for a more favourable out-turn."

General Balance-sheet for the half-year ending 30th June, 1865.

LIABILITIES.

Capital paid and called up, £200,000; less outstanding calls,									
£1,890	...	...	...	...	...	...	...	£198,110	0 0
Deposits	...	...	...	...	...	...	...	47,931	14 1
Bills payable	...	...	...	...	...	...	...	81,664	10 0
Bills re-discounted	...	...	...	...	...	...	...	148,752	3 1
Other liabilities	...	...	...	...	...	...	...	7,788	18 5
Profit and loss (balance of net profit to date)	...	...	...	...	...	...	...	6,600	11 4
								<u>£490,847</u>	<u>16 11</u>

ASSETS.

Specie on hands and in transit, and cash balances	£32,059 8 6
Bank premises, furniture, fittings, and other property	3,046 8 1
Local bills discounted and bills receivable	392,215 9 1
Loans to customers on current accounts	55,492 4 7
Other assets	2,053 18 9
Preliminary expenses, £6,123; less amount transferred to Alexandria branch account, £142. 12s. 1d.	5,980 7 11
	<u>£490,847 16 11</u>

PROFIT AND LOSS ACCOUNT FOR THE HALF-YEAR ENDING JUNE 30, 1865.

Dr.

Amount paid to shareholders, being interest on capital £120,000 at 5 per cent. per annum, to 31st December, 1864	£3,000 0 0
Charges for the past half-year, including salaries, rent, taxes, stationery, travelling and all other expenses at head office and branch	4,169 11 8
Deduction from bank furniture at Alexandria	111 2 2
Rebate on bills not due	3,362 13 1
Balance carried down	6,600 11 4
	<u>£17,244 5 2</u>
Balance carried to next account	£6,600 11 4

Cr.

Balance of undivided profit brought forward as per statement of 31st December, 1864	£3,366 5 5
Gross profit for half-year ended 30th June, 1865, actually realized, £9,816. 16s.; commissions at Alexandria outstanding (estimated), £40,000; transfer fees, £59. 5s.	13,876 1 0
	<u>£17,244 5 3</u>
Balance of net profit to date	£6,600 11 4

The Chairman said—When we last assembled I mentioned that our much respected chairman was confined to the house by illness. I now have to announce his death, which took place a short time ago, and I feel sure you will all deeply sympathise with the family in their bereavement. The report which has just been read, and which has been in your hands for some days, contains a full account of all our proceedings, and of the exact position of the bank. It is not our intention, on this occasion, to recommend a dividend, as the short time during which the bank has been in operation would scarcely justify it, however favourable the result now shown is. Your directors were desirous that the proprietors and the public generally should know the exact position of the bank at an earlier period than our articles prescribed, having passed through such a crisis as the last; and it is a matter of sincere congratulation that we passed so well through such times, which cost so much anxiety to the mercantile community. It will be in the recollection of most of you that I mentioned at our last meeting that we had sent out our general manager

with an experienced gentleman to open a branch of the bank in Egypt. His journey has been of great value to us, and the branch has been successfully established. The alarming epidemic which broke out very shortly after the cotton crisis has curtailed our operations. I am very glad of the opportunity of speaking of the zeal and attention paid by the officers of the bank during this very trying time, for whilst so many left Egypt, they remained at their post. We have now, as the season is over, granted to our manager, Mr. Baker, leave of absence, and hope the sea voyage may benefit him, and he may return with renewed energy. During his absence our chief accountant, Mr. Smith, has gone out to render assistance, and we have most satisfactory reports from him as to the position the bank holds there. We do not intend at present to extend the bank to any other place, as we find a full and profitable employment for all our capital in Egypt. I have, therefore, much pleasure in laying before you the report and statement which has been printed and circulated amongst you, and feel great hopes for the future, for with the large stock of cotton and the increasing production of Egypt, we may safely look forward to a steady and profitable business there.

Mr. A. C. Stewart said he should like to ask a question as to how the expenses of the bank were incurred? He only wished for information. It appeared that the expenses of carrying on the bank were $4\frac{1}{2}$ per cent. on the capital, and although business in Egypt was done during only four months, for the other two months money was very dear, and he presumed that the directors did not allow it to be idle, but put it out at interest. The shareholders, as everybody knew, could get 5 per cent. for their money without investing it in a bank.

The Chairman said there were many expenses which would not come in the next half-year's account, and the bank would be in full operation during the whole of the six months. At present they could hardly judge fairly as to the profits.

Mr. A. C. Stewart wanted to know what were the extras, and what the permanent expenses.

The Chairman said the accounts were open for any shareholder to examine. It was very difficult to say what the working expenses would be, but as their business increased so would their other expenses.

Mr. M'Kean, in reply to one or two questions, read a statement in which it appeared that the gross expenses at the head office were £2,500, and at the Alexandria office £1,501.

Mr. A. C. Stewart—Is £1,600 paid for office rent alone?

Mr. Banner, the solicitor—Yes.

Mr. M'Kean said there was a sum for income-tax which was paid on the dividend.

Mr. John Bigham said it appeared that the gross profits were £9,800; and the supposed profit of £4,000 added to that made £13,800, whilst they had to deduct from that £4,169 for expenses, £3,362 for rebate, leaving a net profit, after a deduction for a bad debt, of little more than the actual working expenses. That was the result of six months' good average business. They had given the directors credit for having escaped losses, but, if the result of a good time was such as he had stated, did it enable them to hope much for the future? Rumours had been abroad to the effect that there was a proposal for an amalgamation with the National, and he thought it would be well for the chairman to take that opportunity of telling the shareholders simply and candidly what was the position of that question. (Hear, hear.) For himself, he thought it would be wise to consider such a proposal, for their capital (£200,000) was small, and

their expenses, as compared with the capital, heavy. (Hear, hear.) Might he ask, if the directors intended to make a call or two calls upon the shareholders, would they call the latter together for the purpose of taking their opinion on the subject? He hoped his remarks would be received as they were made, namely, with the very best of feeling. (Hear, hear.)

The Chairman said neither his brother directors nor himself had the slightest wish to keep back anything from the shareholders, but give fully and candidly all such information as they could with propriety. (Hear, hear.) He might state that they had had no proposal from the National board, but that suggestions had been made and several hints thrown out to them with respect to amalgamation. (Hear, hear.) There was a proposition to amalgamate three banks together, and thus would have been formed a strong and an excellent institution, second to none out of London. (Hear, hear.) One of the parties had, however, withdrawn, for what reason was best known to themselves; but if any suggestion at all suitable should be made it would be submitted to the shareholders for their approval. He believed that the business of the bank was progressing most satisfactorily, and that the next season in Egypt would be a successful one. He defied any bank of so short a standing as theirs to produce such names among its customers as were to be found in their ledger, and altogether their prospects were most encouraging. (Hear, hear.) As regards the question about making a call upon the shareholders, he thought the latter would give the directors credit for not making a call unless it was for the purpose of increasing their business. It would not be according to the articles of association to call the shareholders together in order to obtain their permission to make a call. (Hear, hear.)

Mr. Thomas Chilton, one of the directors, said the board looked for a very considerable business from Alexandria next season. He thought that the past half-year was by no means a fair criterion of what might be expected in future years. He was of opinion that in an exchange bank £200,000 was not a sufficient capital, and he should certainly advocate a further call being made. As to amalgamating with other banks, he wished his brother directors to put that question out of their minds, for he believed it would only prove a source of weakness. The National Bank of Liverpool would not amalgamate except on terms beneficial to itself, and if beneficial to itself, the shareholders of the Eastern Bank would have to pay accordingly. (Hear, hear.) He asked the proprietors to cast to the wind all idea of amalgamation, and do what they could to further the interests of the bank, the prospects of which were extremely encouraging. (Hear, hear.)

Mr. Atkinson asked if that was not an ordinary half-yearly meeting, as he wished to make a few remarks?

Mr. Banner—No, it is not. It is called for the express purpose of receiving these accounts.

Mr. Atkinson said he thought they were all indebted to Mr. Bigham for having elicited the information he had, and he believed they had every reason to place implicit confidence in the directors.

Mr. Bigham moved a vote of thanks to the chairman for the admirable manner in which he had discharged his duties.

Mr. A. C. Stewart seconded the motion, which was carried unanimously.

The Chairman having responded, the meeting separated.

MERCANTILE AND EXCHANGE BANK, LIMITED.

ASPECIAL general meeting of the shareholders in this bank was held at the Law Association Rooms, Cook Street, on the 21st August; Mr. T. B. Forwood, the chairman of the board of directors, presiding. There was a numerous attendance.

The meeting was called for the purpose of considering and, if approved, adopting a resolution for altering so much of the agreement between this bank and the London Bank of Scotland, Limited, as relates to the allotment of 22,000 shares of this bank to the shareholders and directors of the London Bank of Scotland, by limiting the allotment to 10,000 shares instead of 22,000.

The Chairman said as the time of the meeting was valuable he would just indicate the course that the directors proposed should be adopted. The meeting was called for the purpose of mainly—in fact he might say solely—entering into an arrangement with the London Bank of Scotland; and he begged to call upon the solicitor to read the resolutions which the directors submitted for their approval, and, subsequently, he (the Chairman) would, with the permission of the directors, make a statement with respect to the business of the bank for the past half-year.

Mr. Haigh, the solicitor, then read the resolutions.

The Chairman, in moving the adoption of the resolutions, said he thought a very few words would suffice to induce the shareholders to pass them unanimously. They were already aware that at the two meetings held on the 5th and 22nd of July, last year, they passed resolutions for making certain arrangements with the London Bank of Scotland, from which they hoped advantages would be derived in the way of bonuses and premiums to their bank. However, difficulties arose in the way of allotting the whole 22,000 shares, and after numerous interviews and negotiations with the directors of the London Bank of Scotland, and after encountering considerable difficulties, which the directors did not now think it necessary to go into, the directors hit upon the plan proposed, by which they were of opinion all the difficulties would be met, and the Mercantile and Exchange Bank would, so far as the London Bank of Scotland was concerned, be placed in a position so as to work beneficially for all concerned. (Hear, hear.) The result of that arrangement was that the London Bank of Scotland would take 10,000 shares, the Mercantile and Exchange being placed either in receipt of cash for the shares, or such an amount of security as should appear to the directors thoroughly satisfactory. (Hear, hear.) He need not tell them that a considerable amount of difficulty was experienced in bringing about the arrangement as to the 10,000 shares; and the directors hoped that the shareholders would approve of that arrangement, and thus an immense amount of litigation be avoided. (Hear, hear.) Some of those present might want to know to what extent the directors were in possession of funds received from the London Bank of Scotland. An amount of £85,000 had been received in cash, and what they considered a full and satisfactory security for the balance of £15,000. With these few observations he begged to move the resolutions read by the solicitor, and he called upon the chairman of the London board (Mr. Walker) to second the motion. (Applause.)

Mr. Walker seconded the motion.

In reply to a question,

The Chairman said the arrangement now proposed was in lieu of that having reference to the 22,000 shares; and the 10,000 shares were covered by cash or satisfactory security. He fully expected that the arrangement would be a final one, and that the new shareholders would be anxious to

work cordially with the present shareholders, with the view of furthering the interests of the bank. (Hear, hear, and cheers.)

In reply to Mr. Kendall,

Mr. Haigh said the shares would not be got without either money or security.

The motion was then put and carried unanimously.

The Chairman said this was the whole of the formal business of the day, but the directors feeling that there was considerable anxiety entertained—and very naturally so—by many of the shareholders, the directors and their friends, as to the position of the bank, in consequence of various rumours—the majority of which, in fact nine-tenths of which, were unfounded—the directors thought that if it should be the wish of the shareholders they would make some informal, unofficial statement, as to the position of the bank. The shareholders were perfectly aware that on the 22nd of April they themselves passed a resolution by which they altered clause 191 of their deed; and the deed having been altered they sanctioned the board in holding only one meeting during the year for the purpose of presenting a report and statement of accounts. The judiciousness of the proceeding had been confirmed by the experience of the board, for they were quite satisfied that the bank required rest and repose, and should not be dragged into a statement too frequently; and they quite coincided in the wisdom of the resolution then passed. At this particular period, however, the directors of the bank desired to avail themselves of the opportunity of giving as much information as was consistent with the interests of the bank. The shareholders, he was quite sure, were not present to carp or find fault, but to consider what was the true position of the bank (hear, hear), and the directors were prepared to give, so far as they could, a full statement of the past business, and to ascertain whether there was not that in the future which would give them confidence in their property. He (the Chairman) would ask the shareholders to do what in them lay to assist the directors in retrieving the losses and placing the bank in the position which they desired it to hold. He would now read the following informal report:—

“By the resolution passed at the extraordinary meeting held on the 22nd of July, 1864, it was determined that only one meeting of shareholders should be held after the close of the year, to pass the accounts, but, to meet the desire of many shareholders, the directors have decided to avail themselves of this extraordinary meeting to communicate some particulars of the working of the bank for the past half-year. They regret that the commercial disasters of the half-year, the fall in the value of produce and other securities, have rendered the liquidation of many of the accounts which were in contingency, and found to be dubious at the date of the last report, much more difficult, and attended with greater loss to the bank than they had any reason to anticipate. To the fact of the large amount written off to meet this state of things, and not to losses on any new business, the board ascribes the position of the present balance-sheet. The gross profits of the bank for the half-year ending the 30th June have been £26,364; for the corresponding half-year of 1864 they were £33,018 and after deducting from the current half-year's profits, rent, salaries, and all charges, £11,291, and rebate on bills not due, £2,570, there remains as net profit £12,503, which, considering the low rate of interest, affords encouraging evidence of the activity and validity of its business. Since the last meeting the directors, after mature consideration, have closed the Glasgow office, and have arranged for the conduct of their business with the Clydesdale Banking Company on terms mutually advantageous. Resulting from

this arrangement (besides lessening the responsibilities of the bank) there will be a large economy of capital and a considerable saving of expense not apparent in the present account, as the closing of the bank is too recent; and the bank is enabled to transact the business of its constituents in Scotland on satisfactory terms. The foreign exchange business continues to afford considerable facilities to the customers of the bank, especially in Liverpool, and yields a profit on its working. The bank's operations in America are conducted with caution and advantage to the bank; nor has the sudden collapse in America after the war affected the bank, except as regards the rapid depreciation upon the balance of gold held in New York; and this, which is estimated at £4,186, is allowed for in the figures now given. A change having become necessary in the management of the Liverpool office, the directors have under consideration the arrangements necessary to fill up the office vacated by the manager. The difficulties with which the bank has had to contend, especially from sinister rumours, have been great; and yet its business both in London and Liverpool continues to progress, and the number of accounts, as compared with those open in the half-year ending 30th June, 1864, being the largest since its existence, show a satisfactory increase. The directors, looking at the valuable business which has already been accumulated in the face of so many obstacles, and, convinced more than ever that increased banking facilities in Liverpool are needed to keep pace with its trade, feel justified in stating to the large and influential body of proprietors of the bank that, by their united efforts in its favour, they have it in their power to render the bank prosperous and successful.

"30th June, 1865."

LIABILITIES.

Capital account	...	...	...	...	...	...	£497,782	10	0
Current deposit, acceptances, and other accounts	...	...	...	...	...	...	1,527,376	19	9
Rebate at 3 per cent.	...	...	...	...	...	...	2,570	3	11
Depression on New York gold	...	...	...	...	...	...	4,186	0	0
							£2,031,915	13	8

ASSETS.

Cash	...	...	...	...	...	...	£84,438	11	11
Bills of exchange, loans, &c.	...	...	...	...	...	...	1,803,669	6	8
Bank premises	...	...	...	...	...	...	44,956	14	9
Balance of profit and loss to June 30, 1865	...	...	...	...	...	...	98,851	0	4
							£2,031,915	13	8

The figures (the Chairman continued to remark) were appended in order that the position of the bank might be made known. He might be permitted to extend this statement a little, perhaps, in order that the shareholders might be placed in possession of as much information as possible, and he would make a few observations on each item of the report. After reading over the items of gross profit, working expenses, &c., given above, the Chairman said it would, perhaps, be asked what the directors had to say in reference to the large amount of charges? Now he (the Chairman) found that the expenses—the exaggerated expenses—were less than they were last year. They had expended a large amount in legal expenses, in fact this was one of the largest items; but they had had a great deal of

negotiation with the London Bank of Scotland; and then there was a large amount for rent and taxes. He need not tell the proprietors that the directors had for some time past aimed at a reduction of the expenses. The expenses had been considerably reduced in Liverpool, and in London they had a very economical staff; but their chief item of reduction in prospect was in connection with Glasgow, for it was anticipated that by the closing of the Glasgow branch there would be a saving of £2,500, and for which office an item of £1,000 was set down in the present figures. This was all he had to say as to the profit and loss account. He would say a few words in reference to the closing of the Glasgow office. When the Mercantile and Exchange Bank was started, many persons thought it started with considerable originality of idea, it being somewhat like a triangular duel between Liverpool, London, and Glasgow, the directors believing that they had some chance of getting profits. The expectations of the directors were realised, and in Glasgow their manager succeeded in rapidly gaining a position for the bank which no English bank had gained before they started; but their manager had had a more advantageous offer from his old friends, and it had, therefore, been decided to close the Glasgow branch, and accept the Clydesdale Banking Company as their agents. If their customers would try, they would find that the bank could offer quite as advantageous terms under the new arrangement as previously. With regard to the commercial disasters which had happened during the past year, they, as commercial men, were all familiar with what had taken place, and every one of the proprietors would have considerable sympathy with the directors under the misfortunes which had occurred. The Mercantile and Exchange was not a new bank just starting, but was in full and steady progress when the disasters came. He (Mr. Forwood) had taken pains to ascertain whether there was any justice in the statement of the board that the disasters of the past half-year had been most serious. Now, he found that the public failures had involved an amount of £11,100,000, and if the failures that had been positively assumed had been to this extent they might add 50 per cent., or say 33 per cent. more to the amount in account of compromises and private arrangements during the past half-year. The Mercantile and Exchange Bank was not only a Liverpool bank, but had relations with London, Glasgow, and New York, and, therefore, its interests were more wide-spread; but the failure which affected them had chiefly occurred in Liverpool and London. It had been stated that they had been very heavy losers through an East India house, and that they had lost £45,000. The directors were rather astonished when they heard this rumour, and instituted inquiries, and the result was that it was ascertained that a bank with a somewhat similar name to their own had suffered. (Laughter.) Turning to cotton. On the 6th of January the price of American cotton was 28½d., and on the 6th of April 16d.; fair Dhollerah in January 19½d., and in April 10d.; and Egyptian in January 25½d., and in April 12½d. Any gentleman, therefore, knowing anything of the Liverpool cotton business would understand that the directors had not taken to themselves any amount of credit in saying that it was a very disastrous time and required great care to steer clear of the difficulties which presented themselves. Speaking of the disasters, the bank held a large number of special securities, and in some cases it was found that the directors had no legal power to sell them. So far as the new business of the bank was concerned they had only experienced two disasters, and these for very small amounts. One was in cotton and the other in corn, and they were contingent upon the accounts of the last half-year. (Hear, hear.) With regard to the foreign exchange business, L.

believed he was correct in stating that the directors had never come before the proprietors yet without this branch of their business having been continuously prosperous. The business in Liverpool and London for the past half-year had been profitable, and they had abundant testimony of the great facility and convenience that was experienced in selling good bills to the bank, the prices realised being equal to those obtained on the London market. Arrangements had been entered into with the principal bankers on the continent, and no bank was better off so far as agencies of this nature were concerned. With regard to New York, the proprietors knew the fearful state of things which had existed there; but the business had been profitable, except in gold. It was necessary for their agent to keep cash in hand for current business, and, in a remarkably short time, owing to the closing of the war, a very serious depreciation in the value of gold took place, and resulted in a loss of £4,000 to the bank. The Southern business was opening up, and if any field presented itself for the operations of a bank, no bank stood a better chance than their own. The next paragraph in the report had reference to the retirement of the manager, and though he need not trouble the proprietors with that, he might say that it was with great regret that the board were compelled to part with their servants. It was necessary that Mr. Brown should retire, and he had done so. The concluding paragraph in the report was one which affected the future. It alluded to sinister rumours, and they all knew what those rumours were. It had been stated that the bank had lost £45,000 on cotton bills. One gentleman had told him (the chairman) that he understood that the bank was interested to a very large extent in Bolton and Stockport, and had lost very heavily there; but when the matter was investigated, it turned out that the bank had not lost a shilling in this direction, and so the rumours were put aside. Rumours of all kinds had been circulated as to the bank, it being stated that the directors were seeking amalgamation with other institutions, and that they were ready to do this and to do that. Perhaps, when the proprietors looked at the balance-sheet, they would consider the losses very large: but it must be borne in mind that since 1863 they had divided £70,000 in bonuses and profits, and after all, the result was not so very unsatisfactory. He (Mr. Forwood) had invested a considerable sum in railways and had been accustomed to wait ten years for a dividend. Railways had to be reconstructed and repaired, and so in like manner alterations had to be made in the bank. They at first got into a good dividend paying position, and perhaps they paid the proprietors a dividend too quickly. In conclusion, Mr. Forwood said that the directors hoped that the shareholders would support them, because if they did they were almost certain to do a profitable business. They were not now a body of some four or five hundred shareholders as they were last year, but their constituency had swelled to 700 shareholders, and that was a guarantee that if they would all put their shoulders to the wheel a great deal could be done. He hoped that on the 31st of December the directors would be able to show a better state of things than was represented in the present report, but in order that the proprietors might not be disappointed, the directors had looked over all the accounts, and were anxious that the true position of the bank should be made known. He thought the extreme estimate that the directors could give was £3 per share for all contingencies on the accounts which had not been finally closed. With regard to the increase in the number of customers of the bank, some of their friends had been very dubious, and had stated that they were not only losing their business, but that their customers were deserting the bank. Now, the directors had

looked into this matter very carefully, and they found that in Liverpool alone there had been an increase in the number of customers during the past year of ninety-three, and in London of twenty-one, and the deposits were within £20,000 or £30,000 of what they were last year. So far as the directors were concerned they had no personal motives to serve in being on the direction, and if the proprietors considered that the interests of the bank would be served by any one of their number retiring, then they had only to express a wish to that effect.

A Shareholder said he would like to make one or two remarks after the statement made by the chairman. There would be no doubt that if they could get rid of the past the future would be bright enough. The statement of the chairman was not, however, satisfactory with the past, for that gentleman had not stated the real position of the bank with regard to the money. (Applause). He (the shareholder) presumed that the reports which had been going about as to the loss sustained in consequence of the London and Liverpool managers was not correct. He presumed he might take that for granted.

The Chairman was sure the hon. shareholder would allow him to remind him that he had alluded to the Liverpool manager, and that he had stated that the £3 share would cover every contingency. (Hear, hear.)

Mr. Kendall thought there could be no reason whatever why the directors should not state what they expected the losses to be owing to the transactions of the late London manager. (Hear, hear.)

Mr. Walker said if, as the chairman of the London board, he were asked had the London manager taken so much money out of the till and put it into his own pocket, he should state that there was no loss on that score; but if he were asked were the losses which the London board had sustained in consequence of the London manager's transactions, he should say every farthing. Take one single account, and of course they would excuse him mentioning names. (Hear, hear.) That was an account opened by a party in London of which the manager approved. The directors doubted the propriety of opening the account, and they spoke to the manager over and over again about it. However, it increased to £2,000 and £3,000, when the directors came to the positive conclusion that it should be closed, and, by a process of cooking the accounts, it appeared weekly as though it had been closed. However, in the summer season it swelled up at the Stock Exchange to the enormous amount which had been lost, and that without the directors having the power of seeing a single item—(expressions of surprise)—and he must say that if the bank had a series of dishonest managers, he did not see how the directors could practically control them. If fraudulent means were adopted by managers, he did not see how they could really be prevented by the directors, and to show what losses other banks had sustained through their managers he might mention the Pullenger frauds, which amounted to, he was reminded, £250,000. In spite of directors, and of the strictest investigation, such losses as they had sustained might come some time or other. Their auditor examined the accounts of the bank on the 30th June, and immediately afterwards the London manager made those large advances, which he said were covered by stock operations secured to him, and no doubt there was security of some sort or other, but the share went from £10 to £12 per cent. premium to below par. (Hear, hear.) The London manager had furtively and fraudulently gone into speculations with shares, and no doubt, if the speculations had succeeded, he would have made immense profits; but the thing collapsed, and hence the losses. If they were to go through the whole of the accounts on

which the losses had arisen, he would truly tell them that there was not one single loss which he had encouraged, and respecting which he should not have told the manager to beware, as there was not a single name to which he would give credit for £100.

Mr. John Bigham reminded Mr. Walker that he had not answered the question as to how much money had been lost in consequence of the operations of the board or manager. (Hear, hear.)

Mr. Kendall said as these large losses seemed to have been sustained in London, he thought the meeting ought to give to Liverpool the credit of not having incurred them. (A laugh.)

The Chairman said the sum total against the London branch was £92,000. What the directors said was that £3 per share would more than amply cover everything, both past and the future.

A Shareholder—Is the loss of £92,000 attributable to the defalcations of the London manager? ("Yes.")

Another Shareholder—Is the £3 per share estimated on 50,000 shares? ("Yes.")

After one or two further remarks had been made,

The Chairman said the directors estimated the losses at very much less than would be covered by £3 per share, but they had given that large amount, as it would leave a margin to cover every loss. The directors had no desire to conceal anything from the shareholders—they were but fallible—but they had estimated the probable loss on each account to the best of their ability.

A Shareholder said he wanted to know what the position of Mr. Brown, the late Liverpool manager, was with respect to the bank? There were absurd rumours going abroad; it being, for instance, asserted that the late manager had speculated very largely in shares. It was far better to know the truth; there was no use of blinking matters, and he felt certain that things were not so bad as to some they appeared to be. (Hear, hear.) He wished to know whether Mr. Brown's dealings were included in the absolute losses set down to June 30th? He thought it was far better to know these things, for he believed rumour had greatly exaggerated the facts, to the detriment of the shareholders. (Hear, hear.)

Mr. McEwen said what had emanated from the chair on the subject to which the shareholder had alluded was said with extreme delicacy. He thought that so long as the chairman stated that the loss would be limited to a certain amount, he would say that out of delicacy that ought to be considered sufficient. (Hear, hear.) He would call upon the chairman to state what, under any circumstances, was likely to be the loss sustained by the resignation of the manager.

The Chairman—Is it the wish of the meeting that I should allude further to the matter? It is a matter of delicacy, but some of my colleagues wish me to answer the question.

The Shareholder said if the chairman thought better not to answer the question he would withdraw it at once. (Hear, hear.)

Several Directors (to the chairman)—Answer it.

The Chairman said, with reference to the gentleman referred to, he had not left the bank in the position, or acted in the manner in which the London manager had done. (Hear, hear.) It was necessary to draw a very wide distinction between the two gentlemen. (Hear, hear.) Mr. Brown did not appear in the books of the bank as a debtor (hear, hear); and with reference to some transactions with which he was recently connected there was an account which would probably be a deficit, and for

a tolerably large amount—not on Mr. Brown's account, but on another account, for which other parties were liable. The directors had estimated that account at its most extreme point of loss, and there were in the future circumstances which might reduce the amount very largely, say by thousands. The directors had examined the account, and weighed the loss, and put it down in their estimate already made. They had no desire to conceal anything from the shareholders. (Hear, hear.)

Another Shareholder—You say you have ascertained as nearly as possible what is the loss; is it included in the £92,000 which you have already mentioned?

The Chairman—No, it is included in the estimate of the future. Having occurred since the 30th of June, I could not include it in the balance-sheet of the 30th June. (Hear, hear.)

After a few desultory remarks,

Mr. John Bigham thought that the shareholders might safely congratulate the directors on having no lack of courage in coming before them at a time when they were not compelled by their deed of annexation to do so. (Hear, hear.) Whether the future would turn out correct or not he could not say, but he could not help feeling that at present the state of affairs was unsatisfactory, for the shareholders had lost a portion of their capital. (Hear, hear.) He did not, however, think that it would be wise to take advantage of the directors' courtesy by entering into a discussion that day. (Hear, hear.) During the past six months no more had been said to speak of had been made; and as a shareholder who was deeply interested in the bank, he thought it was advisable to postpone coming to any discussion until the legal time for holding their meeting—that was to say, at the end of the year—arrived. (Hear, hear.) When that time did arrive, of course the directors would come forward with a statement of accounts authorised and vouched for by the legal auditor. The accounts which had been produced by the chairman were not vouched for, and being strictly drawn up the directors might not consider themselves bound by them. (Hear.) At the next annual meeting they would have a legal instrument laid before them; and it would be right, because the shareholders would bring all the judgment they possessed or the knowledge they would then obtain, and say whether they believed they could recover what they had lost, and also whether they should continue a bank. He was quite sure that at the next meeting momentous questions would have to be decided, and he was assured the directors would come forward with a proposition which he was fully convinced would meet with the approbation of at least nine-tenths of the shareholders. (Hear, hear.) After consulting with many large shareholders, he was induced to believe that it would be wise in them to postpone any discussion for the present; they had only to wait four months, during which time they would be in a worse position than they were now, and they could then consider the proposition to which he had alluded. (Hear, hear.) For himself, he thanked the directors for being manly enough to enter of their own accord in the statement as to the present most unfortunate circumstances in which they were placed, but, as one having a deep stake in the bank, he advised them to waive any discussion here. (Hear, hear.)

Mr. F. Boulton said he did not like the tenor of Mr. Bigham's remarks. Mr. Bigham appeared to suspect that the directors were keeping something back, and that the accounts of the bank had not been sifted and thoroughly gone into. [Mr. Bigham said that was not what he wished to convey.] He (Mr. Boulton) was exceedingly sorry if he had misconstrued Mr. Bigham's

remarks, but it appeared to him that was really what had been said. The directors had nothing to keep back, and although they might be ashamed of the result of the business, he did not think that they were individually much to blame. The shareholders were aware that the affairs of the bank were managed by a consulting committee, and that the directors generally did not see the accounts or know the details. He had had the honour to be appointed to look through the accounts, and he believed that no more than £2. 10s. would be required to cover the whole of the deficiency on the accounts not yet closed. This was considerably under the estimate of the directors, but he believed that £2. 10s. would not only be sufficient, but would leave a margin. (Hear, hear.)

Mr. A. C. Stewart said various rumours had been circulated as to the bank; some of them with good foundation, some with little foundation, and some with no foundation at all. He thought they were all perfectly convinced that the statement put forth was a true statement, (hear, hear,) and that the directors had taken in every possible contingent loss. (Hear, hear.) The shareholders had been told what their property was worth at present, and that was a point gained. He was sure they could not but thank the directors for the courtesy they had shown in making the statement which had been submitted by the chairman. He was convinced, although he was not sanguine at any time, that the statement to be presented by the directors at the yearly meeting would be a much better statement than they had heard to-day. (Hear, hear.)

Mr. Councillor Kitchen moved a vote of thanks to the chairman, and the motion was carried unanimously.

The Chairman, in responding, said he should not like the shareholders to leave under the impression that at the annual meeting a "golden image" would be produced from the cupboard instead of a "skeleton" to which he had alluded in the early part of the proceedings.

The meeting then terminated; but Mr. Haigh announced that another meeting would have to be called for the purpose of confirming the resolutions which had been passed that day.

ADELPHI BANK, LIMITED.

The half-yearly meeting of this company was held at the Law Association Rooms, Cook Street, Liverpool, on the 20th July; Mr. W. R. Camidge, chairman of the company, presiding.

The following report was taken as read:—

"The past half-year has been distinguished by the numerous changes that have been made in the bank rate, which, for the most part, has had a downward tendency, the average price of money having been much below that of the previous half-year. Notwithstanding these circumstances, your Directors have been able to employ the funds at their disposal on remunerative terms, and have now the pleasure to announce that, after payment of all expenses and making ample provision for bad and doubtful debts, there is a sum of £6,560. 2s. 7d. left for profit. Out of this sum the directors have declared a dividend for the past half-year at the rate of 10 per cent. per annum, free of income-tax, and added £1,000 to the reserve fund; the balance of £991. 4s. 7d. has been carried forward in favour of the present half-year. The accounts have been audited, and the sureties examined as usual by a special committee of two directors.

Statement of Accounts from December 31st, 1864, to June 30th, 1865.

LIABILITIES.

Subscribed capital, £260,220; Capital paid up on 4,293 shares at £10 each, £42,930.; on 8,718 shares at £7 each, £61,026—£103,956.; less calls unpaid, £1,671	£102,285	0	0
Amount due by bank on current and other accounts	187,883	14	2
Reserve fund per last report, £46,500; amount added this half-year, £1,000	47,500	0	0
Amount of dividend now due and dividends unpaid	4,637	7	2
Balance of profit carried forward to next half-year	991	4	7
	£343,297	6	6

ASSETS.

Bills discounted, promissory notes, &c.	£300,499	19	7
Bank premises, &c., &c.	22,366	7	9
Cash on hand and at call	20,430	19	2
	£343,297	6	6

PROFIT AND LOSS.

<i>Dr.</i>			
General expenses, including salaries, stationery, directors' remuneration, law expenses, allowances for bad and doubtful debts, &c.	£3,379	6	2
Interest on deposits, &c.	3,536	3	0
Dividend now due	4,568	19	0
Amount added to reserve fund	1,000	0	0
Balance carried forward to next half-year	991	4	7
	£13,475	12	0
<i>Cr.</i>			
Balance brought from previous half-year	£711	15	2
Profits	12,757	13	11
	£13,475	12	0

The Chairman—I feel, gentlemen, it will be very unnecessary in me to detain you long to-day, and that, in rising to move the adoption of this report, there will be very little for me to do. On looking at the figures in the accounts, you will perceive that, since the last meeting, the paid-up capital has been considerably increased, and that there is a larger amount of deposits with us than there was at that time. There is one very important item in the report to which I will direct your attention for one moment. It is under the head of “profit and loss,” and the item itself has reference to profit. You will observe by this report that the amount is considerably below what it was the last half-year. That at first sight would appear somewhat strange, inasmuch as we have done more business than during the preceding half-year. But, as a set-off to that, if you will look to the other side of the report, you will perceive that the item there of general expenses, &c., is more than £2,000 less than it was in the last half-yearly report, thus showing that, although the gross profits appear less during this half-year than during the preceding one, the expenditure on the various items included in that (debit) column shows a considerably less amount. If you look in that column you will see that it includes an item for bad and doubtful debts. That is the true explanation

of the reduced amount of gross profits this half-year, inasmuch as there have been fewer bad debts during the last than in any previous half-year since we were constituted a bank. This just carries out the truth of the statement that, where large profits are made in banks, they frequently mean very great risks, and that, where smaller profits are made, the risks are smaller and the net profit is thus very little altered. I am glad to say that this is the real reason with us. We have been improving our class of business during the last half-year, and we have fewer bad debts to report. I think that is peculiarly gratifying.

Mr. Ollerhead—It occurs to me, Mr. Chairman, while you are on this subject, that it would be a very great improvement if the bad and doubtful debts were stated distinctly and separately.

The Chairman—Perhaps you will ask questions of that sort after I have made my statement. I shall be very glad to answer them then. There is another very important reason why the gross profits appear smaller now, and that is because of the downward tendency of the money market during the last half-year. All the banks suffer in the same way. They have not been able to obtain as high rates during the last half-year as they did during the previous one, and therefore I expect to see in the reports of all the banks a less amount of gross profits than before. Money is like every other commodity, and when there is a redundancy of it it is cheaper. That is hailed with pleasure by the general community; but to banks and capitalists it means a reduction in their profits. I will only state that the accounts, and all the securities, have been thoroughly examined by two of the directors: Mr. Williams and myself, and we have found the accounts in a very satisfactory state. The books we found properly kept, and all the securities were at the bank. In reference to the appointment of a public auditor, unconnected with the bank, I mentioned it at the last meeting. I stated then that the election or appointment of an auditor rested with the shareholders: that the directors were not at all averse to it; and that, if the shareholders thought proper to elect such an officer, or auditor, they would be quite ready to receive him. But no action was thought proper to be taken at that time, and it now rests with the shareholders to say whether they will have such an audit. I may state that no public audit could be more thorough than that already instituted by the directors and by the committee appointed to examine the debts. One of our directors, since the last meeting, has resigned, and the directors have not thought it necessary during the interval between that event and this meeting to elect a successor. The gentleman referred to is Mr. J. W. Bell, who is the chairman of another company, and, according to the articles of our association, that prevents him from holding the office of director with us. I shall be very happy now to answer any questions, and shall conclude by moving the adoption of the report.

Mr. A. Fisk, deputy-chairman—I have great pleasure in seconding the adoption of the report. It is a peculiarly gratifying one, sir.

Mr. Ollerhead—I have nothing further to say but that I think it would be more satisfactory, in all banking affairs, to separate the bad and doubtful debts. I think the National Bank have adopted the plan. Instead of classing the expenses and all the bad and doubtful debts together, it occurred to me that if the debts were stated distinctly it would make no difference, only that it would be more satisfactory to the proprietary. It is the duty of the proprietary to throw out suggestions, and as a suggestion I leave it in your hands.

The Chairman—Are there any other remarks to be made?

Mr. Brawley—For my own part I am quite satisfied with your being

auditor of the accounts. But I have heard it talked out of doors that it would be better if we had some person besides you to do it. To give satisfaction out of doors, perhaps, it would be better to do so.

Mr. J. B. Hughes—I think, Mr. Chairman, the accounts are extremely satisfactory, and I think they show favourably, for I happen to know some of the bad debts that have occurred in previous years. I think they show that the bank is in a very sound state, and all that we want is for the shareholders to keep their accounts there, and bring in those of our friends in order that we make progress.

Mr. Brawley—Is this the time to move for the appointment of an auditor?

The Chairman—Yes. The first thing would be to move a resolution declaring that an auditor should be appointed, and the next to appoint him.

Mr. Hughes—Can that be done without five days' notice?

The Chairman—Some shareholders have been under the impression that the directors ought to take the initiative in this matter, and appoint an auditor or propose one; but that really is not the case, because the auditor is supposed to be a check upon the directors; and I think it would be unreasonable for the directors to propose or appoint a man to that office. The auditor comes between the shareholders and the directors.

Mr. Hickey—I suppose an auditor would entail an expense on the company, and he would only have to go over what had been done already and would be guided by the work done already. If the appointment would be a satisfaction to the shareholders of course it would be better made. But for my own part, I am quite satisfied, as I am certain the audit could not be better done than it is, as these gentlemen are acquainted with every transaction of the company, and the public auditor would have to be told by either the manager or by those directors who have examined the books previously. Therefore, it would be of very little consequence as regards the good it would do to the company, and it would only entail an expense we have very little necessity for.

Mr. R. P. Williams—As one of the directors who have audited the accounts I assure you that they are in a most satisfactory state. As regards the appointment of an auditor I think there is a great deal of truth in the statement made at a recent meeting of the City Bank. There are many banking accounts which ought to be private, and the City Bank refused to appoint an auditor on the ground that many of the accounts ought not to be divulged. If you have perfect confidence in your directors the appointment is unnecessary. A public auditor would have to take the accounts as presented to him by the clerks. The statement made at the City Bank meeting, the other day, was considered by the shareholders perfectly satisfactory.

Mr. J. W. Bell—I think by a clause in the articles you are compelled to appoint two of your directors specially for this purpose, and I think it is quite sufficient.

Mr. James Alsop—How far the appointment would influence the public mind is another question. I don't think Mr. Williams's objection is a good one, because a publicly-appointed auditor would of course be bound to secrecy, and as a public man he would be bound to observe it. I have the greatest faith in the present audit. My faith would not be increased one iota if Mr. Harwood Banner, or Mr. Blease, or some other public auditor were appointed.

The Chairman—Perhaps, gentlemen, as the accounts presented to-day have undergone so thorough an investigation, you will think it proper to pass the report, and leave the question of the appointment of a public auditor for future discussion. There is no amendment, I think!

Mr. Hickey—There does not seem an inclination to appoint a public auditor; therefore it would be better to go on with the business.

The Chairman—In reference to what Mr. Ollerhead has said as to the grouping of the items together in the debit column, we have the details here in the books, so that the shareholders can see them, and we don't see that it is good policy on the part of the bank to publish them. As long as we who are interested in the different items have the books to go to we think that is sufficient.

The motion "that the report be adopted" was then carried unanimously.

The Chairman—Now, gentlemen, if you wish to enter upon the subject of a public auditor, this is the time.

Mr. J. B. Hughes—Can you do it?

The Chairman—I think we can. This is the clause. (Read 119th paragraph of articles.) I apprehend that anything that is done now will be as to the future, not to the past, inasmuch as this report is past. The meeting which makes such an appointment must fix the remuneration to be given to such auditor. So that there are three things to be determined. First, to settle whether there shall be an auditor, then to appoint him and then to fix his salary. Those are the propositions which now remain to be considered.

Mr. Brawley—I rise to move that there shall be an auditor appointed to work with the auditor that may be appointed by the directors. I will take the sense of the meeting.

Mr. Ollerhead—Is that to be retrospective or to apply merely to the accounts at the end of the half-year?

The Chairman—If you have a public auditor, he or his clerks will have to be at the bank frequently during the half-year. It is impossible for them to do it thoroughly merely at the end of the half-year, for it has taken Mr. Williams and myself many days.

Mr. Brawley—I only throw it out to get the sense of the meeting. What expense would it be attended with?

The Chairman—I don't know.

The Chairman—As there is no seconder to Mr. Brawley's motion it falls to the ground.

Mr. Brawley—It was mentioned just now that one of the directors had resigned, and that no one had been appointed in his place. I think it would be as well the next time the report comes out to put in it the names of gentlemen who are eligible to be proposed as directors. As the list of members is now so numerous, it might be found inconvenient to put them all in as used to be the case.

Mr. Ellison—The shareholders have access to the list of names at the bank, and if Mr. Brawley will come at any time to the bank I shall be glad to read them all over to him.

Mr. Ollerhead—Don't you think the shareholders have confidence in the present directors?

The Chairman—I am reminded by the manager that inasmuch as our shares are not quoted in the Stock Exchange it would be as well for the shareholders to recollect that either in the purchase or sale of shares they will receive every assistance from the manager. It is very pleasing to see that the premiums on the shares of this bank have remained so steady. While the premiums on the shares of many of the other banks, and especially the new banks, have fearfully depreciated, ours have remained steady. And, looking at the report, one need not be surprised at that, for we have an amount, nearly equal to half the paid-up capital in reserve.

There are very few banks besides ours that can show a reserve fund equal to half the paid-up capital.

Mr. R. P. Williams—The directors can only use their own individual influence in bringing business to the bank. During the whole of the past half-year the business of the bank has been steadily increasing, and increasing in a very good way. But the shareholders should assist the directors amongst themselves and their friends by bringing business to the bank. If every shareholder would only bring one account to the bank the amount would be doubled, and we should have to call for a larger amount of capital. And if the business goes on in the same way I think it will be one of the best and most profitable I know. The amount of the bad debts during the past half-year was barely £700. There is scarcely a bank in Liverpool—well managed as Liverpool banks are—can show so small an amount, and not a single penny of which has been made this half-year.

Mr. Ellison—It will be pleasing for the shareholders to know further, that one-half of the entire £700 is for one item which is in course of payment; but, as it is likely to take a few years before it is paid, the directors have treated it as bad.

Mr. Ollerhead—I think your explanation is perfectly satisfactory.

Mr. Hughes—I beg to move a vote of thanks to the chairman for presiding over this meeting, and also over the directors.

Mr. Brawley—I beg leave to second that.

The vote having been passed,

The Chairman said—Gentlemen, I can only thank you for your expression of approbation. I assure you that the directors are quite as worthy and as deserving of thanks, as myself, and perhaps more so. I am only one amongst the others, and they have all been equally zealous with myself. I am very glad to see such a large attendance here to-day. It shows the interest the shareholders take in the affairs of the bank, when they attend here in such numbers, notwithstanding the excitement out of doors caused by the county election.

Mr. J. W. Bell then moved, and Mr. Ollerhead seconded, a vote of thanks to the directors and manager for the way in which they had managed the business of the bank during the past half-year.

The Chairman—I think the business of the meeting would not have been satisfactorily done without this vote, for the directors have been attentive, and I am sure the manager and the general officials have been most attentive. Mr. Manager, I have great pleasure in presenting the thanks of the meeting to you, and, through you, to the whole of the officials at the bank.

Mr. Ellison—I am very much obliged to you gentlemen, for this renewed expression of your thanks and confidence as to myself and the staff under me; and I assure you that there is but one wish on the part of myself and those working under me—to do all we can to further the interests of the bank.

Mr. R. P. Williams—Gentlemen, on the part of the rest of the directors, allow me to return you our thanks. We take it as a motion of confidence. We all of us do the very best we can, and I can add my meed of praise to the manager. He certainly does work hard, and is at the bank early and late. When we were auditing the accounts, the manager used to be there as late as ten o'clock and after.

This terminated the business of the meeting.

THE ESTATES BANK.

AN extraordinary general meeting of the shareholders of this bank (limited) was held at the Freemasons' Tavern, on the 22nd August, to consider the advisability of confirming an agreement entered into by the directors for an amalgamation with another bank, and to pass resolutions thereon.

The chair was occupied by Mr. Hattersley, chairman of the bank, who at length detailed the terms agreed on by the directors for an amalgamation with the Exchange Bank, Lombard Street, and he believed that such amalgamation would be beneficial to all parties. The ten-pound shares of the Exchange Bank would be transferred to the shareholders of the Estates Bank, in proportion to the amount paid up. The shareholders of the latter bank would have the advantage of being connected with a corporation doing a certain and lucrative business, and they might reasonably look forward to good dividends.

Lord Kinnaird, Dr. Ryan, of Dublin, and several of the provincial agents, expressed themselves in favour of the proposed amalgamation.

A Lady here stated that as a shareholder she had some doubts as to the policy of the proposed amalgamation. She would like to know if the shareholders of the Estates Bank were to receive any bonus for handing over their business to another company, and she had not yet heard what special advantages they were to derive from the change, especially as they were now going on well and paying a good dividend.

Ultimately the resolution for the amalgamation of the two banks was unanimously adopted.

NATIONAL BANK.

A SPECIAL general meeting of the proprietors of this bank was held on the 22nd August, at their office in Old Broad Street, in compliance with the following notice issued by order of the board of directors:—

"Notice is hereby given, that two successive special general meetings of the proprietors of the National Bank will be held at the office of the society in Old Broad Street, London, on Tuesday, the 22nd day of August next, and on Wednesday, the 23rd day of August next, at one o'clock precisely in the afternoon of each day, to consider the propriety of further increasing the capital of the society, by the creation and issue at par of 10,000 new shares of £50 each, to be distributed amongst the present shareholders in the proportion of one new share for every four of the existing shares, and (by way of bonus) to credit each such new share with £30 paid up by transfer to capital account of that amount from the rest or undivided profits of the society, thus placing such new shares upon the same footing in every respect as the existing shares, and whereby the entire capital will be increased to the sum of £2,500,000; and to provide for the rights (in respect of said bonus) of proprietors, the number of shares held by whom at the time fixed for the distribution of the proposed new shares, may not amount to four or may not be a multiple of that number. And at which meetings now called such resolutions may be passed as shall be deemed advisable for carrying out the objects above-mentioned, and certain resolutions relating to such objects, and approved of by the court of directors, and recommended by them for adoption, will be submitted to the proprietors."

The chair was taken by Mr. M'Kenna, M.P. There were not more than between twenty and thirty shareholders present upon the occasion, and the

resolutions proposed by the directors were adopted by the meeting without any opposition.

The Chairman said that the objects contemplated by the resolutions which were to be submitted to the assembled proprietors were of a very simple character, although they were couched in somewhat lengthened and technical language. Those objects were to transfer a sum of £300,000 from their reserve or undivided profit to capital account, and to transfer it in such ratio that each shareholder should be entitled to one new £50 share, representing £30 of paid-up capital for every four shares he held in the existing stock of the company. There was a further provision with respect to the holders of shares not divisible by four; and it was proposed that they should receive for each such share certificates or vouchers, which would be saleable in the market after their position should be duly certified by the bank. They had at present a nominal capital of £2,000,000, and £1,200,000 of that sum had been paid up. Their rest or undivided profit, after the payment of the last dividend, was between £700,000 and £800,000, and when the resolutions he had then to submit to the meeting were carried, as he anticipated they would be carried on that and on the succeeding day, the paid-up capital of the bank would amount to £1,500,000, and the reserve fund would stand at between £400,000 and £500,000. A dividend on the new shares of the same amount as that paid on the present shares would necessitate a distribution among the proprietors of an additional sum of £10,000 a year—that was to say, that while they now divided £100,000 a year, their future earnings should amount to £200,000 a year if they were to maintain the same dividend. It might be asked whether the bank had arrived at a point at which the directors could fairly expect to realise a profit of £200,000 a year; and to such a question he should confidently answer in the affirmative, while he believed that before very long the earning powers of the bank would reach a much higher figure. He did not pretend to predict precisely what their profits were likely to be, but he thought he could confidently state the ratio at which they had hitherto increased would not be materially diminished. He had lately received some communications from shareholders who appeared to labour under the impression that the new £30 shares which it was proposed should be issued would require that the person who was to receive them should pay up that amount. But that was a complete misapprehension, for the money was to be paid by the bank in the manner he had just stated. He believed he had offered all the necessary explanations in reference to the immediate business which they had that day met to transact. But it was, perhaps, desirable that he should avail himself of that opportunity of making a few observations with respect to their general position. Their balances from customers' accounts in London, on which interest was payable, were at present, as nearly as possible, tenfold what they had been four years ago, and their balances from customers' accounts in London on which they paid no interest were equal to the amount of customers' accounts on which they paid no interest in the whole of their 54 branches in Ireland. But their Irish business had not diminished, while their metropolitan business had so greatly increased, and thus balances from customers' accounts in Ireland were greater at present than they had been at the corresponding period of last year. He had to conclude by submitting to the meeting in a single motion a series of six resolutions, which had been framed for the purpose of carrying out the objects for which they had been brought together, and which they would have to confirm at a second meeting to be held on the day succeeding. Those resolutions were as follows:—

“Resolved:—First—That the capital of the society, which was originally £1,000,000, and which was by resolutions passed at two successive

general meetings of proprietors, held on the 23rd day of March and the 24th day of March, 1864, increased by the creation of 20,000 new shares of £50 each, shall be further increased by the immediate creation and issue of 10,000 new shares of £50 each, so as to increase the entire capital of the society to £2,500,000.

"Secondly—That such last-mentioned new shares shall on or under date of the 31st day of August instant be distributed by the directors amongst the proprietors on the register at the time of such distribution, in the proportion of one new share for every four of the existing shares, and each such new share shall be credited by way of bonus with £30 paid-up by transfer to capital account of that amount from the rest or undivided profits of the society, to the intent that such new shares may then be upon the same footing in every respect as the existing shares. And with respect to proprietors of three shares only or less, or of more than four shares not being a multiple of four, each odd share shall entitle the proprietor of it to one-fourth part of such bonus of £30 in respect of one new share. And the directors may give to each holder of any such odd share or shares such certificate or certificates under the hands of any two or more of them of his or her interest in respect to a new share, and of his or her right to dispose of such interest, but so that such disposition, if not to an existing proprietor, shall be subject to the approval of the directors, and shall in any case be verified by lodgment of the certificate at the company's office in Old Broad Street, on or before the 31st day of December next.

"Thirdly—That after the 31st day of December next, the shares created in respect of such odd shares and not previously disposed of under the last resolution, may be sold by the directors, who in that case shall place to the credit of the parties entitled thereto respectively in the books of the bank, without interest, the amount realised from the sale of such shares.

"Fourthly—That the proprietors of the new shares now created shall hold the same upon and subject to the same terms and regulations, and with the same rights and privileges, upon and subject to which the original shares in the society are held.

"Fifthly—That every proprietor or other person to whom any of the new shares now created shall be allotted or sold under the foregoing resolutions, shall, at such time and at such place as the directors may specify, execute such deed or instrument as the court of directors shall require, for the purpose of making himself or herself liable to the rules and regulations of the society, in respect of the new share or shares so allotted or sold to him or her.

"Sixthly—That the provisions embodied in the foregoing resolutions shall be new regulations and provisions of the society, and such resolutions shall accordingly be considered as amending, altering, or repealing the existing regulations and provisions, so far as they may be inconsistent with such new regulations and provisions."

Mr. Bolus Smith seconded the motion.

Mr. Fox said he had no opposition to offer to the motion. But he wished to take that opportunity of expressing his gratification at the position in which the bank was at present placed. They were at that moment reaping the fruits of the judicious husbandry of their resources in past years, and they were about to widen the field of their future operations. They had at present a sum of more than £1,000,000 committed to their charge, and that fact showed the progress they had made in securing the public confidence. He hoped that before the lapse of many years their accounts in Ireland would make a much more important figure than they did upon that occasion, and he believed that a better day was about to dawn upon that country, from which he had just come, and that her in-

habitants would soon find profitable employment through the application of capital to the development of her natural resources.

The resolutions were then unanimously adopted.

The Chairman said that they had no further business to transact upon that occasion, but it would be necessary that the motion to which they had just given their assent should be confirmed by a second special meeting, and the shareholders would have to assemble again on the following day for that purpose.

The proceedings then terminated.

The second special general meeting of this bank was held on the 23rd August, at their office in Old Broad Street, for the purpose of formally confirming the resolutions adopted at the meeting of the day preceding.

Mr. M'Kenna, who again occupied the chair, said that his duty upon that occasion was altogether of a formal character. He had, on the day before, explained to the best of his ability the scheme for the transfer of £300,000 of their reserve or undivided profits to capital account, and the creation of a proportionate number of new shares; and he had upon the present occasion only to move the confirmation of the six resolutions in which that proposal was embodied.

The motion, having been seconded by Mr. Ashlin, was at once unanimously adopted.

Mr. Wheeler said he thought that the thanks of the shareholders were eminently due to the directors for the manner in which they had conducted the business of the bank, and more especially for the masterly step just adopted upon their recommendation (hear, hear). He believed that the success of a bank depended exclusively on its direction—that if the direction were good it would certainly prosper, and that if the direction were bad it would certainly prove a failure. They all knew how successfully the National Bank had been managed by the present board of directors, and he begged leave to move to them the warm thanks of that meeting.

Mr. Stock, M.P., seconded the motion. Having for some time had many relations with that bank, he could testify that there was no establishment of the kind more admirably managed, and he was sure they all felt that they were deeply indebted to the gentlemen by whom its business was conducted.

The resolution having been unanimously carried,

The Chairman, in acknowledging the compliment, said he had to thank the meeting for their kindness upon that occasion. He could assure them that the best efforts of his colleagues and of himself were directed to the promotion of the welfare of the establishment, and that the greatest pleasure which a board of directors could enjoy was that of receiving such a vote as that which the meeting had just passed, and of feeling that it was not wholly unmerited.

Mr. Stock next proposed a vote of thanks to the chairman, who was, he said, the mainspring of the whole establishment, and who devoted to it all his time and energy.

This motion was seconded by Mr. Wheeler, and unanimously carried.

The Chairman then briefly replied, and the proceedings terminated.

ORIENTAL COMMERCIAL BANK, LIMITED.

AN ordinary general meeting of the shareholders of this bank was held on the 23rd August, at the London Tavern; Vice-Admiral Burney in the chair.

The following report was read:—

“Your directors have much pleasure in submitting the accompanying exposition of your affairs. The business—which is that of the former Oriental Commercial Company, Limited, progressively extending upon the power of the three concurrent and combining companies—emerges from a period of some considerable mercantile disturbance with this proof of a steadily increasing prosperity. The balance-sheet embodies the figures of the financial year, since the last published accounts of the Oriental Commercial Company, Limited; but as the former and separate interests of that company have been provided for, without interruption to the regular course of business, the balance of net profits to be dealt with really relates only to the operations of four months from the 1st of March last. The capital amount included, with reference to former members of the National Financial Company, Limited, refers only to shares actually exchanged on or before the 30th June last, and which rank for dividend from the 1st of March, contemporaneously with those of former members of the Oriental Commercial Company, Limited. The remaining £100,000 dates, upon the accounts, from the 17th of May last, to be vested in trustee officers for twelve months, and subject to a separate and special provision as to the profits which will have accrued thereon. As the period embraced by the combined accounts now submitted is fragmentary—having been thus marked out to preserve the uniformity of published returns and of general meetings, and seeing that the season comprised is that of the least activity and profit in the course of the company's regular business, your directors have determined to recommend that the net profits disposable be treated for distribution *ad interim* in the declaration of a dividend at the rate of 10 per cent. per annum, which will absorb £5,738, leaving £3,913 to be carried forward for accumulation, and dealt with as the company may hereafter determine. Your directors solicit attention to the fact that of the profits, amounting to £25,854, no less than £19,106 has been derived from commissions, and £5,954 from interest, showing the safe nature of the operations. The large sum yet in the company's hands on account of dividends previously declared, arises chiefly from amounts payable to members who have accounts current with the company, into which upon settlements such dividends will have to pass. The establishment of a branch at Patras, under the local public administration of a council and committee, with a view to the very large and important interests of the company in that quarter, has been hailed with cordial satisfaction; and your directors are assured of a further increase of business under gratifying conditions. From all directions in which the regular mercantile and exchange operations of the company have been opened up and extended, your directors continue to receive no less favourable intelligence:—notwithstanding that the prevalence of a serious epidemic on the coasts of the Mediterranean has operated to check activity for a time. Your directors can, therefore, express to you their confident anticipation, that the coming produce season, with a promise of more settled markets, will contribute amply to the profitable employment of your capital, so as at once to provide for liberal dividends, and for an adequate addition to the reserve.”

Balance-sheet, 30th June, 1865.

Dr.

Capital, viz.—The Oriental Commercial Company, Limited, 10,000 shares of £20 each, at £7 paid, £70,000; 4,652 shares, new issue, £23,278. 16s.; the National Financial Company, Limited, 19,720 shares of £20 each, at £4 paid, £78,880; the Financial Corporation, Limited 25,000 shares of £20 each at £4 each, £100,000	£272,158 16 0
Creditors on bills payable against produce and other securities	174,643 19 8
„ on balances of account current for goods sold on com- mission	40,661 12 4
Reserve fund, £24,500; the Financial Corporation, Limited, £25,000	49,500 0 0
Dividend account, dividends unclaimed and in course of pay- ment	7,709 7 10
Profit and loss, the net amount £20,901. 3s.; less part to Feb- ruary 28th 1865, divided amongst the shareholders of the Oriental Commercial Company, Limited, £11,250	9,651 3 0
	<u>£554,264 18 10</u>

Cr.

Balances on current accounts, due from agents and correspon- dents, and against which securities are held, valued at £210,000, exclusive of the other securities held abroad, and <i>in transitu</i>	£255,311 14 1
Cash at bankers', £16,839. 12s. 11d.; cheque on hand, £500; bills receivable on hand, £34,635. 13s.	51,375 5 11
National Financial Company, Limited, balance...	56,321 10 0
Financial Corporation, capital and premium, payable on or be- fore May 17th, 1866	125,000 0 0
Preliminary expenses, £4,800; goodwill paid to the sharehold- ers of the Oriental Commercial Company, Limited, £15,000	19,800 0 0
Stock on hand	263 14 5
Disbursements for charges on goods received for account of consignors	7,306 1 8
Furniture	586 12 9
Financial Corporation, Limited, advances for purpose of liqui- dation	37,700 0 0
	<u>£554,264 18 10</u>

PROFIT AND LOSS ACCOUNT.

Dr.

Sundry charges, including directors' remuneration, salaries, office expenses, &c.	£3,828 16 10
Commission	1,125 0 0
Amount carried to balance-sheet	20,901 3 0
	<u>£25,854 19 10</u>

Cr.

Balance brought forward	£230 8 8
Interest account	5,954 11 11
Commission on goods imported, exported, sold and purchased, for account of customers	19,105 19 3
Amount deducted from salaries, &c., for proportion of the same charged prior to February 28th, 1865. (the date of combi- nation), but not due till June 30th, 1865	564 0 0
	<hr/>
	£25,854 19 10
	<hr/>

The Chairman in moving the adoption of the report, said he felt called upon to say a few words, as it was probable some of the shareholders had not received the balance-sheet and report. If such was the case they should be very happy to furnish them with them. It was their endeavour to send out to every individual shareholder the report, as they fearlessly placed it before the public. He thought this report was a most satisfactory one, and he was in a position to look them in the face, and say he had not deceived them. If there were any questions they wished to put to them with respect to the amalgamation, they were ready to answer them. They need not call them there, but they wished every six months to give an ad interim dividend. Although only four months had then elapsed, they called them together to agree to a dividend of 10 per cent., which he thought they were justly entitled to distribute. He begged to move the adoption of the report.

Mr. Mavragordato seconded the adoption of the report.

Mr. Short said they were entering a new history of their capital. Would it not be well to investigate the question whether they should not pay 15 per cent. on that as a commercial company. In all commercial companies there was a certain amount of reserve fund, and if it were a large one, it placed the company in a better position than other companies which had not so large a reserve. When they had got a reserve fund of £270,000, their position was secured and the value of their shares increased. He would rather see the dividend 2½ per cent. less, and to have such a reserve fund as would place them in a proud position.

The Chairman said they did not intend to do any business but commission. As to the financial business, he had pledged himself not to do financial business.

Mr. Short—What is the reserve fund?

Mr. Swan—£49,500.

Mr. Short—What do you carry over?

Mr. Swan—£3,931. It now amounted to £49,500.

Mr. Morris asked what was the position of the shareholders who had transferred the Financial Oriental new shares?

Mr. Swan said there was no shareholder in the Oriental Financial Company who would not pay £3 or £7. All he would have to do was to hand over the difference to the purchasers.

Mr. Cobbet said there was a sum of £24,600 receivable on bills. Did they hold any security for this?

Mr. Swan—Certainly. They held security to the extent of £200,000. These bills were not held as security. They were received in connection with shipping.

Mr. Cobbet asked why £15,000 had been paid to the shareholders of the Oriental Commercial Company.

Mr. Swan said the Oriental Commercial Company entered into arrangements with the Financial Corporation. The Oriental Financial Corporation had a reserve fund amounting to £20,000, and it had established a business for which it was proposed to give a large amount. Therefore, paying it was a very great advantage to the other company coming in. The other companies should be paid back by the premium which they really created on the shares.

Mr. Cobbet—How many years' purchase was that?

Mr. Swan—It was but a little more than two-and-a-half years' purchase.

Mr. Cobbet—What did that balance refer to—the National Financial Company, Limited, balance £56,000?

Mr. Swan—Since then £26,000 has been paid off that. The £30,000 has been paid up, and they had nothing to do with this account.

Mr. Ormerod said he saw in the accounts relative to the Financial Corporation there was a very large advance under the head advanced for liquidation.

Mr. Swan—The amount of £37,100 was an item belonging to that company. They had made an agreement with the company, whereby they agreed to see that the accruing liabilities should be settled. They were to afford to them twelve months for the realisation by slow degrees. That would be the best result, for if they had pressed it on the market it might not have been realisable at all. Therefore they agreed to assist them in meeting the realisable assets as they felt due. The difference between £190,000 and £90,000 of the liabilities of the company had been paid, and of which £37,000 was paid out of their funds.

Mr. Cobbet—Was that paid off?

Mr. Swan—That is not due yet. The money was not due, and would not be needed for two months.

Mr. Ormerod said there were 25,000 shares at £4 per share, but only £2 a share was called up. The Oriental Financial Company limited it to 25,000 shares at £4 per share.

Mr. Swan said the capital of the National Financial Company was £75,000. Those shares of the National Financial Company had been converted from one £75 share into three £25 shares, subject to the payment of £25,000 being contributed to the reserve fund in the accounts of the Oriental Finance Company.

Mr. Ormerod—Are the shares at par?

Mr. Swan—They were at par at the commencement, but the liabilities were not due till the 6th of May, 1867.

Mr. Ormerod—Had the £100,000 been paid to them?

Mr. Swan—The £100,000 was secured to them. That was now the Oriental Commercial Bank, Limited. The £100,000 was carried on certain grounds, and the securities were credited to the liquidators of the company, they having to the 7th of May, 1866, to make good that amount. They certainly did not anticipate there would be any loss on that account. The Oriental Commercial Company had realised their assets and paid their debts.

Mr. Cobbet—You do not apprehend any deficiency?

Mr. Swan—Certainly not. They came there to place their affairs before them in the most clear and satisfactory manner, and if any shareholder came to the office they would show him the figures for himself to judge.

Mr. Cobbet—Could they make any estimate of what they would realise?

Mr. Swan—No. For certain securities were not due, and they could not make an estimate of a future realisation.

Mr. Watford said that their operations at that moment were of the most

satisfactory kind. When they entered into it they paid £50,000 down. The liabilities were £100,000. They were reducing the liabilities day by day. What further amount of reduction there might be he did not know. They had certain securities to realise, and by the 6th of May, 1867, they should realise all, and 10 per cent. would be paid to the shareholders by the Financial Corporation.

Mr. Swan said they had no separate transactions with the Financial Corporation, Limited. They could only recognise them, acting under the advice of counsel, that nothing should be done in the form of monetary transactions, except it was carried to the account of the liquidators. He might say, whatever arose out of it, the money would be paid over to dividend. They would pay out of that whatever arose on the profit. They found from the liquidators that there was no supposition that they had paid anything for goodwill. Who paid for the goodwill? They had corresponded with them about their goodwill, but it proved that it was they who expected the goodwill. The Oriental business was an increasing business. It had given them £16,000 as a whole, and he believed no more legitimate, or more fair fund for business, or a more profitable one in the commercial world, was to be found.

Mr. Morgan said that it made a difference whether it was paid to the liquidators or to the shareholders. It appeared to him they were bound to pay the shareholders of the Financial Corporation, and those who were shareholders at the time ought to have 10 per cent.

Mr. Swan said they were acting in all that had been done to carry out those arrangements to the best possible advantage to the greater body of the shareholders. Mr. Hatton, their professional adviser, told them there was no separate covenant; on the contrary, it required a series of covenants, and the Oriental Commercial Company, the Financial, and the Oriental Bank were represented by three gentlemen whose names were therein. If it was the subject of a covenant to pay a dividend, or anything else, it might be quite obvious to any lawyer, in order to create that covenant, and to give it to each individual, that he should have assigned it to another, and if he brought an action the plea which he would put in would be that the charge was on the other party. That was the advice they were acting on. They believed they had to pay it legitimately, and if it should be so, they should be very glad to pay it.

Mr. Short said if the business of the Financial Company was carried out he would not have had anything to do with the company. He understood the general arrangements were successful in their operation, and looked at the sort of shareholders contributing a certain amount of capital for the Oriental Commercial Bank, for which capital they had so many shares, but which capital was to be employed in the proper business of the Oriental Commercial Bank. That was an important thing to be made known to the public, and Mr. Swan stated the fusions of the capitals of those companies so far as their operations as the Oriental Commercial Bank went. He believed there was a soundness in their operations. He had not the same opinion of all financial companies, and he should be sorry to employ his capital in them. (Hear, hear.)

Mr. Swan said with a capital of £115,000 they had made a profit of something like £24,000 in four months. What would it be when they had £272,000, and what would they make in the next half-year? Seeing the large capital they would be entitled to in twelve months, he asked the manager if their profits were £24,000 on the employment of a capital of £115,000, could he assume that with a capital of £272,000 he could

employ it with equal profit. The answer he got was most satisfactory. He was perfectly satisfied in his own mind from figures, facts, and statements made, as connected with the future business, that they might make a large profit on £272,000. He believed the new company was contributing a large dividend to the shareholders.

Mr. Cobbett—If I feel disposed to pay £7. 5s. as a shareholder, I can do so?

Mr. Swan—Unquestionably; whenever you please.

The Chairman—Their business was so good, it exceeded their expectations. In Patras they instituted a board of the first merchants, and the chairman of the chamber of commerce had joined the board directly. He saw such a promise of business and such a prospect from all parts of the Mediterranean, he thought they would find at the end of the year they would have much larger returns than they now had. (Hear, hear.)

The report was unanimously carried, and thanks having been voted to the chairman the proceedings terminated.

LONDON AND MEDITERRANEAN BANK, LIMITED.

A FORMAL meeting of the proprietors of this bank, with which the Continental Bank Corporation is now amalgamated, was held on the 23rd August, at the South Sea House; Mr. W. W. Cargill in the chair.

The Chairman stated that the meeting was called in order to satisfy the requirements of the committee of the Stock Exchange. He, therefore, proposed a special resolution for making the following alterations in the articles of association, viz.:—To insert the words “except the shares of the company” after the word “foreign” in section 9 of clause 86; between the words “company” and “partnership” in section 11 of clause 86; and after the word “foreign” in clause 99; and to insert the words “except in purchasing the shares of the company” at the end of clause 100; the simple effect of which is to prevent the company from dealing in its own shares.

A vote of thanks to the chairman closed the proceedings.

NATIONAL BANK OF LIVERPOOL.

An extraordinary general meeting of the shareholders of this company was held at the bank, No. 14, Cook Street, on the 31st of July, to receive from the directors a report of the progress of the bank since the last ordinary meeting, and a declaration of dividend. Mr. Robert Higgin, chairman of the company, presided.

The Manager read the report as follows:—

“The directors of the National Bank of Liverpool, Limited, have much pleasure in presenting to the proprietors their fourth half-yearly report. After writing off all bad and amply providing for doubtful debts, the accounts of the bank, made up to the 30th of June last, show a net profit of £12,677. 14s. 1d., to which must be added £2,810. 9s. 10d. brought forward from last account, and £746 balance of premium on new shares, leaving available £16,234. 3s. 11d. for distribution, which the directors have applied as follows:—In payment of a dividend, free of income tax, at the rate of 10 per cent. per annum:—

10s. per share on 20,000 old shares	...	£10,000	0	0	
7s. per share on 8,779 new shares	...	3,072	18	0	
					13,072 18 0
Profit and loss next account	...	...	...	...	3,161 10 11
					<u>£16,234 3 11</u>

The assets and liabilities of the bank, and the profit and loss account to the 30th of June, are as follows:—

ASSETS.

Cash in hand and at bankers'	...	...	...	£120,159	3	11
Due to the bank on bills discounted, loans to customers, &c.	...	...	...	1,010,086	0	8
Bank premises	...	...	...	19,511	9	3
				<u>£1,149,756</u>	<u>13</u>	<u>10</u>

LIABILITIES.

Capital paid up	...	...	...	£282,460	0	0
Capital paid in anticipation of future calls, at 4 per cent. interest	...	...	...	5,925	0	0
				<u>£288,385</u>	<u>0</u>	<u>0</u>
Reserve fund	...	...	...	103,895	0	0
Due by the bank on deposit and current account, bills on London, &c.	...	...	...	738,052	9	11
Rebate	...	...	...	3,190	0	0
Profit and loss	...	...	...	16,234	3	11
				<u>£1,149,756</u>	<u>13</u>	<u>10</u>

PROFIT AND LOSS ACCOUNT.

Balance from last half-year	...	...	...	£2,810	9	10
Net profit for half-year ending 30th June, 1865, after writing off bad debts and pro- viding for doubtful debts	...	...	...	£15,867	14	1
Less rebate at 3 per cent. on bills current	...	...	...	3,190	0	0
				<u>12,677</u>	<u>14</u>	<u>1</u>
Balance of premium account	...	...	...	746	0	0
				<u>£16,234</u>	<u>3</u>	<u>11</u>

"Of the 2,494 new shares on hand at last meeting, 1,273 have been taken up by the proprietors at a premium of £7 per share, producing £8,911. This sum the directors have applied as follows, in accordance with the original understanding:—

Reserve fund, increasing it to £103,895, being £5 per share	...	...	...	£6,365	0	0
Extinction of preliminary expenses...	...	...	...	1,800	0	0
Profit and loss	...	...	...	746	0	0
				<u>£8,911</u>	<u>0</u>	<u>0</u>

"Owing to the numerous mercantile embarrassments and severe fluctuations in value of many of the staple articles of commerce, the directors have continued to aim at a safe rather than at an extensive business; and though the last half-year has not been favourable to banking, they are

happy to say the progress of the bank has been satisfactory, and that many new connexions have been formed since Christmas last."

The Chairman said—During the last six months there has been an unusual degree of distrust and anxiety in commercial circles, and but very little new business originated—that is, new commercial business—in the town. In accordance with prudence, the directors have endeavoured by all means in their power, and, as the result has proved, successfully, to preserve from loss the business they had obtained, leaving to more auspicious times the greater development of the bank, for which in Liverpool there is ample scope without unduly interfering with the business of our banking rivals. In carrying out this course, all safe business of a profitable nature, and which did not involve large advances, has been freely entertained; and as commerce settles down once more to its ordinary channels and usual risks, I doubt not but this bank will largely share in the successful results of trade. The amount of our acceptances, which does not appear in our account, is small, reaching only £20,650. The rebate on our bills was taken at 3 per cent., the bank rate on the 30th June last, up to which our accounts were balanced. Of the 1,221 new shares on hand on the 30th of June, a considerable number have since been allotted—the balance the directors reserve for distribution as the interest of the bank may require. The shareholders seem to have but little desire to attend our meetings, it being with considerable difficulty that we are able to procure the attendance of the number required by our articles of association for the purpose of declaring a dividend to the 30th of June. Although this non-attendance is very complimentary, as meetings when an unfavourable report is feared are always sufficiently numerous, still, as each meeting involves considerable trouble and expense to the bank, the directors purpose, at some favourable opportunity, to ask for powers to alter the articles of association so as to enable them to declare the mid-summer dividend without a formal meeting of the proprietors. If this alteration is made, the shareholders will receive their dividend and the report much sooner than at present. The cheques for the dividend now declared will be posted this evening. That ends the business of this meeting—it is an extraordinary meeting merely to declare the dividend, and there is nothing more to be done.

Mr. John D'Arcy, of Dublin, said—Mr. Chairman, having come from the sister country, where we hold a large stake in the bank, I have a desire to make a few remarks. The shareholders of this bank have good reason to congratulate themselves on the very favourable report presented this day—the more so, when we consider the unsettled state of business during the past six months, as well as the low rate of interest prevailing. When we consider that many other similar institutions, commencing at the same period, were unable to pay any dividend, we should doubly congratulate ourselves on the present results. That this is owing to the good arrangements of the directors and the manager, there can be no doubt; and to those gentlemen who steer this great ship we are all deeply indebted. I confess I was not prepared to hear so satisfactory a state of things, not to receive so handsome a dividend, which I look upon now as almost permanent for the future. I hold 100 shares in this establishment, and I never felt more confident in my investment than on the present occasion. I hope that, as we have taken our name from a great banking institution, we shall go on and prosper in its wake. (Hear, hear.)

The Solicitor—The meeting, gentlemen, is over. We are much obliged to you for your attendance.

The proceedings then terminated.

LONDON AND COLONIAL BANK, LIMITED.

A SPECIAL meeting was held at the London Tavern, on the 23rd August, to consider an amalgamation with the International Bank; Mr. J. Geary in the chair.

The balance-sheet was as follows:—

Dr.

Capital called up, 10,000 old shares at £20, £200,000; less calls unpaid to date, £39,794. 10s.	£160,205 10 0
Capital, new issue of 4,009 shares at £5, added to £20 calls paid in advance, £24,565, less calls unpaid, £14,480 ...	10,085 0 0
Premium on new issue at £4 per share, £19,636, less amount unpaid, £5,116	14,520 0 0
Sundry creditors	3,639 12 1
Total	£188,450 2 1

Cr.

Cash at Alliance Bank	£90 0 0
Stamps on hand	2 11 6
Montreal bank premises £573. 12s. 1d.	666 14 3
Good debts	1,684 5 6
Branch accounts, £5,664. 6s., less Montreal £121	5,543 3 1
Estimated to realise	4,000 0 0
International bank current account, £35,572. 17s. 4d.	41,923 17 1
Doubtful debts, J. Field and others	35,443 0 6
Allan Hay (New York)	70,645 11 4
J. Gladstone & Co., £22,964. 1s. 6d.	123,982 13 3
Preliminary expenses	14,788 6 4
Profit and Loss account	2,755 5 5
Total	£188,450 2 1

The Chairman said they were aware that at the meeting which they held on the 6th of July a certain agreement between themselves and the International Bank was brought up, containing a clause introduced by the latter bank, requiring that a warrant should be given them against all claims which might subsequently occur. The offer was declined, and it was resolved that a committee and the board of directors should take such legal steps as they deemed advisable. After great delay terms were arrived at, in the shape of an agreement with Messrs. Price and Devot, brokers, to take the shares at a given price. To carry out the agreement it was necessary for the bank to wind up voluntarily.

Mr. Morris (the solicitor), in explaining the nature and effect of the agreement, said that the holders of £2,578 old shares had expressed their willingness to sell at £7. 10s. per share, and the holders of 650 new shares had given evidence of their wish to adopt the same course, the price being in their case £3. 15s. per share. Only the holders of two shares had expressed any hostile views.

After some discussion, a resolution sanctioning the voluntary winding-up of the company was carried unanimously.

A vote of thanks was proposed to the chairman, and the proceedings terminated.

BIRMINGHAM JOINT-STOCK BANK, LIMITED.

The following are the liabilities and assets of this bank, according to the 21st and 22nd Victoria, cap. 91 :—

The liabilities of the Company on the 1st day of July, 1865, were :—

Proprietors' capital	£190,840	0	0
Due to the public on deposit, current, and other accounts ...	954,459	6	1
Capitalization fund... ..	20,846	4	10
Guarantee fund invested as follows:—In consols, £40,000; New Three per Cents., £10,000; East Indian Railway Five per Cent. Debentures, £10,915. 13s. 2d.; London and North-Western Railway Debentures, £10,000; London and South-Western ditto, £10,000; North-Eastern ditto, £10,000; Midland ditto, £10,000; South-Eastern ditto, £10,000; Lancashire and Yorkshire ditto, £10,000; Great Western ditto, £9,000; Great Eastern ditto, £20,000; uninvested, £178. 4s. 1d.			
	150,093	17	3
	<hr/> £1,316,239 8 2 <hr/>		

The assets of the Company on that day were :—

Government securities, &c.... ..	£149,915	13	2
Bills of Exchange	670,106	13	2
Advances and other loans on security	433,645	7	10
Bank premises	5,523	10	11
Cash in hand and at agents	57,048	3	1
	<hr/> £1,316,239 8 2 <hr/>		

CALEDONIAN BANKING COMPANY.

The twenty-sixth annual general meeting of shareholders was held at the bank, on the 7th August, when the following report was read and adopted :—

“ The directors have much satisfaction in laying before the shareholders the result of another year's operations of the bank. The net profits of the year ending 30th June, after payment of income tax and providing for bad and doubtful debts, amount to £23,185. 15s. 9d., being an increase upon previous years, caused by the more profitable character of the business during the first half of the year just terminated, and also by the realisation of some of the bank's securities at an enhanced value. The balance of profit brought forward from last year is £765. 16s. 11d., making the total sum now falling to be disposed of, £23,951. 12s. 8d., which the directors propose to appropriate as follows, viz. :—

£12,500	0	0	—in payment of a dividend at the rate of 10 per cent. per annum, without deduction of income tax.
9,000	0	0	—for addition to the bank's surplus or guarantee fund, thereby increasing it to £38,000.
750	0	0	—for the usual annual instalment in reduction of the cost of the bank's houses.
1,701	12	8	—balance to be carried to next account of profit and loss.

£23,951 12 8

The directors recommend that the dividend should be raised to 10 per cent., and they feel assured the shareholders will agree with them in thinking the increased rate of dividend is justified by the present position and prospects of the bank. The directors have to report that they have contracted for suitable premises for the branches at Grantown and Bonar Bridge. The retiring directors at this time are Charles Fraser Mackintosh, Esq., and William Simpson, Esq., and these gentlemen, by your regulations, not being eligible for re-election, the directors recommend that Eneas William Mackintosh, Esq., of Raigmore, and Robert Smith, Esq., Gordon Terrace, Inverness, be elected in their room."

Balance-sheet on the 30th June, 1865.

LIABILITIES.

Paid-up capital	...	...	...	...	...	...	£125,000	0	0
Circulation	...	...	...	...	...	...	83,256	0	0
Deposit accounts, interest receipts, balances of banking correspondents, &c.	...	...	...	...	...	...	694,548	10	6
Surplus fund	...	...	...	...	...	...	29,000	0	0
Undivided profits, balance brought forward from last year, £765. 16s. 11d.; net profits for year ending this date, £23,185. 15s. 9d.	...	...	...	...	...	...	23,951	12	8
							<u>£955,756</u>	<u>3</u>	<u>2</u>

ASSETS.

Investments, advances on bills discounted, credit and other accounts, debentures, bonds, and other securities	...	...	£854,037	14	6
Specie, notes of other banks, and cash in hands of banking correspondents	...	...	86,384	8	10
Bank's houses, and furniture at head office and branches	...	...	15,333	19	10
			<u>£955,756</u>	<u>3</u>	<u>2</u>

Profit and Loss Account, 30th June, 1865.

Dr.

Dividend at 10 per cent. per annum	...	...	£12,500	0	0
Surplus Fund, being transfer to this account of	...	...	9,000	0	0
Increasing the surplus fund to £38,000.					
Bank's houses—transfer in reduction of cost to £14,583. 19s. 10d.			750	0	0
Balance of this account carried to next year's account	...	...	1,701	12	8
			<u>£23,951</u>	<u>12</u>	<u>8</u>

Cr.

Balance brought forward from last year	...	...	£765	16	11
Net profits of year ending this date	...	...	23,185	15	9
			<u>£23,951</u>	<u>12</u>	<u>8</u>

COMMERCIAL BANK OF LONDON.

A MEETING was held on the 25th of August at the London Tavern. Mr. W. Jackson, M.P., who occupied the chair, said the directors had found great difficulties in administering the Kensington estate, not the least of them being the somewhat hostile attitude assumed by the trustees of Lord Harrington and by the railway company. According to the terms of the lease, the bank was compelled to erect a certain number of houses: the lease had only two years to run, and to perform their covenant they must erect twenty more houses. For that purpose it was necessary to borrow money on the security of the bank. If that were done, he had not the shadow of a doubt that the whole of the capital would be returned to the shareholders. He concluded by moving—"That details having been laid before this meeting, clearly showing it to be the interest of the shareholders that the necessary number of houses should be erected on the bank's Kensington estate, the directors be and are hereby authorised to assist in the erection, by loan or otherwise, of a sufficient number of houses to comply with the covenants of the building agreement with Lord Harrington, and to raise the necessary funds for such purpose on the security of the existing assets of the bank."

Mr. Robinson seconded the motion.

Mr. Johnson wished to know how long it would be before the shareholders received back the remainder of their capital.

The Chairman replied that it would be about two years. The house must be built by the summer of 1867, and ground-rents would then be created, which would be sold for the benefit of the shareholders.

After a slight discussion the resolution was adopted *nem. dis.*

The usual compliment to the chairman and directors concluded the business.

ENGLISH AND SWEDISH BANK, LIMITED.

THE annexed is the report to be presented at the forthcoming meeting:—

"The directors have the pleasure to submit to the shareholders the annexed statement of accounts for the half-year ending 30th June last, duly examined and certified by the auditors. It will be seen that the gross profits for this period, including a sum of £2,224. 8s. 1d. brought forward from the last account, amount to £26,421. 17s. 6d., which, after paying current expenses, and deducting rebate of interest, &c., leaves a balance of £14,156. 7s. 3d. Out of this the directors, in accordance with the powers conferred on them by the articles of association, have the satisfaction of declaring an interim dividend of eight shillings per share, free of income tax, carrying forward a balance of £6,238. 19s. 5d. to the next account. The directors have reluctantly accepted the resignation of Mr. J. A. Hankey as chairman, in consequence of his proposed lengthened absence from England, but he will still retain his seat at the board. Mr. Wm. Tetley has been elected his successor in the chairmanship of the bank. The directors much regret that death has deprived them of the valuable services of Mr. Wm. Gibson, member of the Gothenburg local board, while at Stockholm they lose the able co-operation of Mr. C. D. Arfwedson, whose other business engagements have necessitated a resignation of his seat at

the local board. Mr. B. Almquist, who had previously held the office of auditor at this branch, has been elected to fill the vacancy. The directors are happy to say that the reports from the branches show that the business of the bank continues steadily to progress, both at Stockholm and Gothenburg."

Balance-sheet, 30th June, 1865.

Dr.

Subscribed capital—19,519 shares of £50 each, £975,950; less 50 shares forfeited, £2,550, £973,450; capital paid-up, 19,469 shares at £20 each, £389,380; less calls in arrear, £650; calls in arrear at 30th June, which have since been paid, £7,215—£7,865	...	...	...	...	...	...	381,515	0	0
Received on forfeited shares	...	...	...	...	...	...	150	0	0
Current, deposit and other accounts	...	...	...	...	...	...	183,875	10	10
Bills payable	...	...	...	...	...	...	372,114	13	8
Rebate of interest	...	...	...	...	...	...	4,800	10	2
Profit and loss; balance as per account	...	...	...	...	...	...	14,156	7	3
							<u>£956,612</u>	<u>1</u>	<u>11</u>

Cr.

Cash in hand and at call	...	...	...	...	...	...	£45,561	15	9
Bills discounted, loans, &c.	...	...	...	...	...	...	893,914	7	2
Bank premises, furniture, and other property in London, Stockholm, and Gothenburg	...	...	...	...	...	...	12,135	19	0
Preliminary expenses	...	...	...	...	...	...	5,000	0	0
							<u>£956,612</u>	<u>1</u>	<u>11</u>

PROFIT AND LOSS ACCOUNT.

Dr.

Current expenses, including rent, salaries, directors' remuneration, &c.	...	...	...	...	...	...	£6,693	1	2
Rebate of interest	...	...	...	...	...	...	4,800	10	8
Exchange on branch balances due to head office, 30th June, 1865	...	...	...	...	...	...	771	18	5
Appropriation of balance, viz.:—Payment of dividend of 8s. per share free of income tax, £7,787. 12s.; income tax thereon, £129. 15s. 10d.; carried forward to new account £6,238. 19s. 5d.	...	...	...	...	...	...	14,156	7	3
							<u>£26,421</u>	<u>17</u>	<u>6</u>

Cr.

Balance brought forward from last account	...	...	...	...	...	...	£2,224	8	1
Gross profit	...	...	...	...	...	...	24,197	9	5
							<u>£26,421</u>	<u>17</u>	<u>6</u>

SHEFFIELD AND HALLAMSHIRE BANK.

IN our last number we gave a condensed report of the proceedings at the annual general meeting of the proprietors of the Sheffield and Hallamshire Bank. Since that report was issued, the following address of John Bower Brown, Esq., the chairman, in moving that the report be adopted, has been printed in the form of a pamphlet, at the unanimous request of the shareholders present, for private circulation amongst the proprietors; we transfer it to our pages, believing it will be perused with interest, containing as it does some valuable practical remarks on the management of joint-stock banks:—

The Chairman said—"Before proposing to you in form the adoption of the report, I have a few remarks to make on sundry passages in it, and also on several subjects growing out of banking operations in general, of the past and present years. Previously, however, to entering on these subjects, I have the pleasure to inform you that, in fulfilment of your request at the last annual meeting, your directors, on the 26th October, 1864, presented to Wm. Waterfall, Esq., plate, value £122. 5s., in token of appreciation of his long and valuable services as manager of your bank. The few pounds expended in excess of your vote will not, I am sure, be objected to by you, as we were only carrying out the spirit of your instructions. In doing this, we found it impossible to limit ourselves to the exact sum named by you, viz., one hundred guineas. It will be satisfactory to you to know that the business of your bank still continues in onward progress, in spite of the unfavourable influences of the late war struggle in the United States of America. As an evidence of the growing confidence of the public in your bank, the money deposits have been increasing during the whole year, and they now amount to a much larger sum than at any former period. Referring to the increased profit of the past year, I would respectfully ask you to bear in mind that the larger proportion of it was earned during the first half of the year, viz., from July 1st to December 31st, 1864, when money ruled at a high rate. The latter half, from January to June, 1865, has, in regard to the value of money, been not much in excess of average years. Please notice that the extra profit of the latter half of our last fiscal year, from January to June, 1864, a period of high rates, went into the accounts of that year, and was represented by a handsome increase of your reserved fund. You will observe, therefore, that if our fiscal year had ended 1st January last instead of 30th June, it would have embraced the whole year of high money values, and our report would have carried a more showy appearance, as well as a better surface comparison with other bank reports. But inasmuch as you have the 'substance' you will, as sensible men, care nothing about the mere 'glitter.' I have read nearly all the bank reports published in the '*Bankers' Magazine*' for the past six months, and I find that the average increase of dividend (growing out of the twelve months of dear money) has been from about one-third to one-fourth of their ordinary dividends, so that in this respect the Hallamshire Bank compares not unfavourably with other institutions. And considering, as before said, that your extra profit has been made in little more than half the year, whilst many, if not most of the banks alluded to embrace in their reports the whole of the year of high money rates, the comparison in favour of the Hallamshire Bank is still more satisfactory. Again, the comparative smallness of the liabilities under which your dividend has been earned is a cause for congratulation. Some of the reports I have read quote liabilities in several millions or dividends

not so much exceeding yours as you might expect, and in some few cases not exceeding at all. The report gives you a warning not to look for bonuses when the causes which produce them no longer exist, and therefore I will not further dwell on the subject, except to repeat a reminder I have on former occasions given to you, viz.: that if each of our shareholders would interest himself to bring us clients, and thereby increase our business and our profits, bonuses might become the normal condition of your dividends instead of an exceptional condition. Let me ask you to think of this, and to act upon it, and thus benefit your own property. Directors, from the necessities of their position, cannot take a single step in the direction here indicated, but you may do so with propriety. The very name of a 'joint-stock bank' implies a joint stock in efforts as well as in cash—a united proprietary in means as well as in ends—in helping to create business as well as in sharing profits. One further remark, and I have done with this branch of my subject. Your bank has no branches, and therefore your dividends are earned without help from such sources. This fact may be ground for a favourable comparison of the amount of your dividends with that of other institutions. Branches have two advantages: they furnish an increase of ordinary banking business, and they enlarge the area for collecting deposits: in some cases, this latter consideration is the more important of the two. The floating moneys of a district are collected into one large sum, and transmitted to another district where it can be profitably used, in discounts and advances. Successfully and ably used, branches become unquestionably a valuable adjunct to a parent bank; but the advantage is not purchased without some risk, the special nature of which I will not enlarge upon, except to say, that your directors feel that to watch over the interests and doings of one bank is as much as their time and energies can accomplish. Your manager, too, devoting the *whole* of his time and activities to the circumscribed area of one bank, can all the better probe into all the points and corners of the establishment, so as to keep everything in healthy order and condition. The reserved fund (called in your deed of settlement surplus fund), as you will notice, has again received a respectable addition to its amount, notwithstanding your bonus of £4,580. Taking into consideration all the elements disclosed in the figures of the Hallamshire Bank report of this day—viz., amount of your annual dividends, and amount of capital and of liabilities—your surplus fund is much larger than that of many banks, whose reports I have read, pro rata, with the claims upon it, and the risks and liabilities under which it stands. I have a list before me of about thirty banks, including therein the most eminent banks in England. This shows to me that our liabilities, as compared to our working capital, are the smallest in the whole list. Some of these banks, with dividends but a few per cents. in excess of ours, have liabilities reckoned in sundry millions, many times the amount of our liabilities, whose surplus funds, relatively with the possible claims upon them, are smaller than ours. When your surplus fund shall have reached a certain amount, it will be for yourselves and your directors to consider how far it is desirable or necessary to make continuous efforts for its further large increase. When the proper time shall arrive, this subject will have due consideration. At present the time has not arrived. It will probably be satisfactory to you to learn from me, that a not inconsiderable portion of the surplus fund is invested in Government securities—consols. I have now to draw your attention to a very few words in this report, introduced for the first time; and, instead of waiting for some one of the gentlemen present to ask for explanations, we tender them unasked. The words

referred to will be found in the second paragraph, and are these:—‘and making suitable allowances for doubtful accounts.’ The paragraph runs thus—‘After paying all the expenses of the bank, and making suitable allowances for doubtful accounts, the net profits are,’ &c. The fact of our making deductions from gross profits, on the score of dubious debts, is not new; the only change, therefore, is, that we now tell you of it. It must be apparent to every one present having business knowledge (and most of you as commercial gentlemen have that knowledge), that out of the thousand accounts in our ledgers, there must at all times be some about which we entertain doubts and fears, of more or less stringency, and yet they are not bad debts, and cannot be treated as such. We cannot call that ‘good’ which is ‘doubtful;’ and we cannot call the ‘doubtful’ ‘bad,’ until they become so. It would be untruthful on our part to include in our report as ‘good assets’ an amount which we deemed ‘doubtful;’ and, therefore, in faithfulness to you and to ourselves, we deduct from the gross profits a sum to cover for these ‘doubtful debts.’ This sum is arrived at by a careful examination of every annual balance-sheet. The name of each account is entered on the minute book, with the amount attached for which we entertain ‘doubts.’ Such of these accounts as eventually turn out ‘good,’ serve to take the place of other accounts, that we believed all right at the time, but upon which clouds have afterwards supervened. This frank statement ought to increase your confidence in us and our report, and I doubt not it will do so. The system now explained to you is one in almost universal use among the London banks. We have copied the very words used in nearly all the reports of the London banks, as you will find if you read them. Seeing their openness to their shareholders on this subject, we determined to copy what seemed to us an honest frankness, and I feel assured you will like us no worse for copying an example set to us in such high quarters as the London and Westminster Bank, the Union Bank of London, and many others. Besides, we have nothing to fear or to conceal, and therefore there was no reason why we should not tell you. There is one other subject of much importance which I should probably not have entered upon, but for the example which has been publicly set before us in an influential and highly respectable quarter. The reasons which induced that example operate upon us. To disregard it by a total silence on this occasion, might create a supposition that we were afraid of entering on the subjects touched upon in the quarter referred to. I allude to the cases of loss and ruin which during the last year have brought such deserved discredit on the management of joint-stock banks. My object will be to satisfy you that no fear need be entertained of any such serious disasters to your bank. I will tell you, in some detail, the regulations by which we hope to escape them. The enormous Pullenger frauds on the Union Bank of London, by which an amount equal to your whole paid-up capital and surplus fund put together was abstracted by the falsifying of accounts, together with sundry serious defalcations by old officers of other banks about the same period, led your directors, in 1860, to institute the rules I am going to particularise. In establishing these, they deemed that they were fulfilling their duty to you as trustees, not only for your share interest in the Hallamshire Bank, but virtually for your whole property which is at stake, as well as for your business prosperity in life, all of which, perhaps, might at some future period, when we and all the then officials shall have gone to our long home, be jeopardised by our disregarding the warnings those serious cases ushered forth to the world. We doubted no one and publicly said so;

but our conceptions of duty were of an imperative character. I need not say that the disasters of the past year have strengthened our convictions of 1860, and that we feel that we have done right in making ourselves more thoroughly cognizant of the internal workings of the bank. There was nothing to prevent us doing so before; but we were then, in 1860, more strongly awakened to its necessity and to our duties in regard to yourselves. The manager is not allowed to make advances to any one without the written consent of the board, as exhibited in their 'minutes.' A book is placed before us weekly, showing the state of every account in the ledgers; and another book showing the total amount of bills under discount for every customer of the bank. Your managers, neither past nor present, would have ever thought of discounting distant paper, as a bank manager recently did so disastrously as to shut up the bank; or of using the bank's moneys for any purpose whatever unknown to the directors. Arrangements were made in 1860, and which are still in force, for the periodical checking of the balances of all our London accounts, including Glyn's, the most important of them. A number of years ago, the books of a bank, I think in one of the Midland counties, showed that there was a large sum in the hands of the London banker. It was discovered on investigation that the bank's book did not record the truth. The directors had been deceived. This circumstance, together with the Pullenger affair, were the causes which induced us to establish a means of proof, independently of our own books, of the state of our account with Glyn, Mills and Co., Overend, Gurney and Co., and others. The cash in the bank is counted weekly by one of the officers of the bank, the cash books added up by him, and a certificate to this effect, signed by the officer, is presented to the board every Wednesday, and filed away in private possession of the board. The officer doing this duty is changed almost every week. Once at least every quarter of a year, two of the directors attend at the bank, before bank hours, to count the cash, no one in the bank knowing when this visit is to be made. In addition to this, the cash balance for each half-yearly balance-sheet is verified by being counted by the directors. It is a duty on my part to say, that this cash counting was at all times occasionally done both by directors and officers: all that our new rules effected was the having it done every week, and by fixing the responsibility on the person who signs the certificate, the counting by the directors being somewhat more frequent than formerly. The bills are taken down at very short but fixed intervals by two officers of the bank and added up, and their sum total certified by the signatures of the persons doing the work. The certificates are presented to the board and filed away in the 'directors' safe,' previously having been checked with the weekly balance-sheet. As with the cash, the bills were at all times taken down by the officers, but at longer intervals. All the change we made was in the signed certificate, and in having this important work done more frequently, and, instead of at uncertain times, at fixed periods. The deeds of property held as security for advances, as well as personal guarantees, are periodically called over by the directors from the security book—a work that occupies considerable time and much labour. A minute is entered on the directors' minute book of the delivery of any deeds to the parties owning them, and the chairman's signature attached to the entry in the security book, certifying of such delivery. Looking at the large amount of property represented by these deeds, and for which the bank is liable to their owners, too much care can hardly be exercised in watching over their safety whilst in the bank, and in their dismission from the custody of the bank. Some years ago we passed a rule that no officer of the bank should have a

current account with the bank; the only exception we made was in favour of the then manager of the bank, Mr. Wm. Waterfall. This rule was forced upon us by a case which occurred in a neighbouring bank, where a verdict of 'acquittal' was returned to a charge of 'embezzlement,' mainly on the ground that the defaulting officer had a 'current account with his bank,' which gave an opportunity for the plea of a 'quasi permitted over draught on that account.' This was not the only consequence: the 'guarantee society' refused to pay because the person was acquitted of the charge of 'embezzlement;' and the officer said, 'Our guarantee is against fraud, and of fraud he is acquitted by a jury after a fair trial.' I have been informed that the case was afterwards compromised by the guarantee society paying a part of the claim, leaving, however, a considerable sum as a loss to the bank. Now, as most of your officers furnish their securities for honest service through these guarantee societies, we felt that it would never do to have them jeopardised by permitting your officers to have current accounts with your bank; to do so would, or might, have made their securities in the event of 'fraud' a 'sham,' and not a 'reality.' common sense indicated the course your directors should take in the matter, and they took it. Another check which your directors instituted was that of obliging every officer in the bank to take a holiday of three weeks in every year, during which time some other officer must take charge of his department, and thereby discover if anything be wrong. The very knowledge that such investigation must ensue may prevent 'wrong doing,' and thus save a character for life, but which a supposed immunity from detection might forfeit. This is not an overstrained theory of over-jealous minds, as I will proceed to show you. In sundry cases of extensive fraud not long since, it was observed that the parties never left their banks for a single day for a long series of years—never would have a holiday, however pressed, as the other officers had; and these frauds were never discovered till sickness finally compelled the absence of the defaulting officer, and some other person had to take to his duties. In 1860, Mr. Cockayne and myself were deputed by the board to go to London, to make personal inquiries of influential parties there as to the best checks that could be devised to preserve banks from such frauds as about that time had startled the public. In almost every case they said that they thought a 'periodical compulsory absence' was one of the best 'safeguards' a bank could institute, and they acted upon it themselves. On the journey referred to, Mr. Cockayne and I heard many opinions on banking subjects, from gentlemen of high standing and large experience; and your directors subsequently adopted such of their suggestions, in a modified form, as were thought to be applicable to our case—of a country bank with comparatively limited doings—hence our rule of compulsory absence. Our officers have at all times had their holidays; the only change we made was to make it compulsory on every one, and without any exception save one, viz., your late manager, Mr. Waterfall. There are sundry minor regulations in force, but it is not worth while occupying your time with them. The principal ones are those now mentioned. You will observe that the rules are intended as checks against such errors of judgment as have recently brought discredit on directorial management; and also against such frauds as occurred several years ago. And I think you will see that our principal rules, such as cash and bill counting, &c., are not unreasonable, and are essentially only such as you gentlemen exercise in checking your 'cashiers' cash account,' and in demanding a stamped receipt from your dearest friend; neither the former nor the latter deeming himself reflected on by such cash examina-

tion, or such demand for a receipt. After all that I have said, your main reliance against fraud must ever be on the honesty and honour of your manager, and of the other officers of the bank. If so minded, an evil-disposed person could rob you in spite of all our checks and watchfulness. He might see some opening which had not been protected, as Pullenger did, and avail himself of it accordingly. All your directors can do, is to do the best they can. It seems to us an eminently unsound argument that because we cannot do everything, therefore we must do nothing. The contrary we hold to be the right argument, viz., to do all that our experience, and that of others more able than ourselves, point out as proper to be done, even if it should occasionally turn out that our plans have been defective in some unsuspected quarter. We are all fallible men and must remain so to the end of the chapter. I think it right most emphatically to reiterate that, notwithstanding our cash countings and periodical investigations, we have never for one moment doubted the sterling honesty of all your officers, past and present. Before entering on other matter, allow me to say that it is but justice to the parties concerned thus publicly to state, that your united staff of officers never worked more energetically and harmoniously together than they do at the present time; and that your directors are perfectly satisfied with the appointments they have made. Your manager has displayed larger capacities than we had given him credit for, and we confidently say to you, that the business of the bank will not suffer under his management. If you are not fatigued, a few minutes more may, perhaps, be profitably employed on a banking subject, although not pertaining to your own bank. In offering the opinions we are about to offer, your directors would be sorry, if you or any one should secretly accuse them of self-sufficiency. It would be an unjust charge. They hold their opinions with all respect and deference to the views of others older and more experienced in banking subjects, and not in any egotistic or dogmatizing spirit. Still, having certain opinions, they think it to be their duty to lay them (not before the public), but before their friends, the shareholders of the Hallamshire Bank, for them to extract such conclusions as they may think the opinions deserve. Politics, science, and art are studied daily, but how few think of studying the principles of banking, although so many in the community have everything at stake in banks. Hence, to point out dangers to be avoided and advantages to be gained by an intelligent exercise of the banking franchise, may be of value to you our shareholders, whether you coincide with our opinions or not. Everyone is ready to acknowledge in the abstract the value of experience; but to render experience valuable it must be well weighed and applied, otherwise it is a tree barren of fruit. I think some wholesome lessons may be learnt by the misfortunes which have fallen on sundry banks during the past twelve months, and on their unfortunate shareholders. Our comments shall be confined to the doings and misfortunes of three banks. In the case of the first bank, ruin was brought on by the directors vacating, as we think, their express functions, and allowing them to be usurped by their manager. It would appear from the reports circulating at the time, that his imperious will, supported no doubt by an appearance of great prosperity in the shape of large dividends, bore down the firmness of the directors, and they gradually allowed him to centre in himself all the powers of the bank, legislative as well as executive, without any effectual check on their part, the result being 'ruin.' Besides the loss of the paid-up capital, a call has since been made of a large sum per share, to pay the debts of the bank; the distress and ruin, and even deaths, if the press speak truly, that have occurred among the shareholders

is mournful to contemplate. Now, I lay the fault of this dreadful state of things on the 'directors,' not on the manager. Shareholders place directors in the position of trustees over their whole property, and they, and they alone, are responsible to the shareholders for its safe custody and legitimate use. Errors of judgment they may commit. They may assent to discount and loans, which turn out 'loss;' but so long as they honestly exercise the powers entrusted to them, for what they hope and believe at the time to be for the good of their institutions, shareholders ought to be satisfied, and I believe will be so; but directors have no right to surrender their functions to anyone, and it is a clear breach of a sacred trust to do so. The directors alluded to, I think, did wrong (with good intentions I doubt not) in permitting their manager to exercise sway, uncontrolled, over the doings and property of the bank. The manager was appointed by the directors, paid by them, and it was his duty to them to do nothing of a weighty or essential character, without their permission and assent, after ample explanations. If the directors of the bank had firmly withstood his encroachments, the bank might have been saved, and he might have been saved, and might at this time have been a successful and respected officer of the company. Pride and ambition, I fear, ruined the one, and want of firmness and moral courage, notwithstanding good intentions, ruined the other; and both these together ruined the shareholders. In the next case I shall mention, I am glad to say, that the manager is acquitted of any dictatorial assumptions. It appears that he entered into some large discount transactions at a distance from his bank, not only without the sanction, but even without the knowledge of his directors; and the discount operations referred to were so large, that on turning out disastrously, the bank was stopped in its career, and the bank has disappeared from among us. There has been no failure so-called, but some little loss, I have understood, will accrue to the shareholders. Here, again, the directors were alone to blame, as we respectfully conceive. Although they may not have given written permission for the manager to use the bank's money without their consent, I cannot doubt he had a tacit permission to do so; possibly, silence on other transactions of a like kind, though not perhaps to such an extent, may have been deemed assent. His instructions on entering upon his duties should have contained a direct prohibition against his undertaking any large discount, or any other large money transactions, without the written consent of the board, as exhibited in their minute book. To allow a subordinate, whatever may be his character, business judgment, and good intentions, such unlimited powers as that a bank may be ruined any day, without the knowledge of the directors, is a gross departure from common sense, and a grave dereliction of duty, as we think, on the part of the directors. In both the foregoing cases, you will observe, I blame only the directors, who, in our view, were the essential cause of the disasters. I will not blame the managers; they both might, and, I think, did really intend well, but they were allowed to act without that safeguard which Solomon's words sanction, 'in the multitude of counsellors there is safety.' The board of directors should have been 'the council of safety;' the very purpose for which 'boards' are appointed. If this be not the function of a 'board' I know not what their functions are: and shareholders might as well dispense with them, and 'elect' their managers with full, absolute, and sole powers. In the first-mentioned case, the directors would seem to have been frightened out of their duties; and in that of the second, the board were not stringent enough in the exercise of their duty; perhaps I should be nearer the truth if I supposed they did not

realise the extent and importance of directorial control. It is hardly needful for me to say that all my remarks are general, and have no application to ourselves. Your board knows its duties too well to fall into the errors of either the one or the other of the before-mentioned banks; and your managers, past and present, know equally well the value of half a dozen independent and unbiassed opinions on any subject, to wish to set them aside; they would not do it if they could—they never did do it. My whole object in these remarks is to satisfy you that the Hallamshire Bank is not likely to split on the rocks on which have been wrecked the banks referred to. The only other banking misfortune to which I will allude is that of a bank which suddenly collapsed not long ago. Again, the evil was caused, as we think, by the fault of the directors, but in a different way from the last-mentioned two instances. In this case the directors had appointed one of their number to the position of what is called a ‘managing director.’ Now, we unhesitatingly admit that there are some banks and some institutions whose special circumstances require the aid of one or more managing directors. Excluding, however, such exceptional cases, our opinion is, that this sort of bank arrangement is, in ordinary cases, objectionable and pregnant with evil. From the moment that the managing director takes his seat as such, the other directors are apt to feel less called upon to master the details that come before them; they insensibly become more easeful, and more and more rely on the managing director for seeing that all things are right, until finally, by imperceptible degrees, even it may be unknown to themselves, the other directors become ciphers, and the managing director becomes the sole depository of bank knowledge, which he may give out to his easy colleagues in such portions as he thinks fit, or none at all if he prefer. Here, again, you have the embodiment of a great mistake, as we think; a bank governed essentially by one man, one mind, one judgment, without any real check or control. It may be that he may turn out a manager after the model of the first-mentioned case, but under another name. He may do ill or he may do well; but the separate and independent opinions of the directors, as such, are gone, and for all the purposes of control and guidance the managing director might as well be alone; but this is not all the evil. From the moment a managing director is appointed, the ‘manager proper’ essentially becomes an inferior officer, notwithstanding his name. The managing director, if he so wills it, may become the real manager, and the manager in name must either do and follow as directed, or his place will soon become vacant; he will be fretted till he resigns; and hence that important check upon the directors themselves, which an honest and high-minded manager furnishes, becomes lost to the shareholders. I have come to the conclusion that the system of a ‘managing bank director’ may be, in designing hands, a pernicious one, and in any hands an unwise one. Speaking for myself individually, I would not sit at any bank board where there was a managing director. Now, what happened at the bank I refer to? At a recent meeting it was decided to put the bank in liquidation; the paid-up capital gone, besides a large sum to be made up by the shareholders, the manager proper having borrowed a very considerable sum of money. Books miserably kept—a handsome dividend declared not long before;—the managing director said, in effect, that he did not know how it was, and I have no doubt he was honest and spoke the truth, his supreme management not having been effective. The other directors knew nothing whatever, they relied on the managing director—but in result the bank, as such, is defunct. Rely upon it, gentlemen, the only proper and safe course for a

bank is, for every director to know everything about his bank, to act and to think for himself, and not to delegate his duties and responsibilities to another. As a hypothesis, and nothing more, I would ask—suppose a managing director and the manager were to collude together, instead of quarrelling, would the easy-going silent directors be any check to this? Unchecked power over millions should be given to no one, no matter what his character or standing. In conclusion, what has been now said to you is but the expression of the unanimous opinions of your board. They were desirous that you should have the fullest information regarding the state of your bank, not only in the figures as represented in the report, but in the general rules under which your bank's affairs are administered. They wish to impart to you that confidence they themselves entertain of the safety and soundness of your institution. The only opportunity they have of placing before you such information as my address has embodied is on these annual occasions. I am aware it is not very usual to say so much as your directors have done this day through me, but there is no sound reason why we should follow the customs of others to the limiting of our observations to you. I have but followed the request of my co-directors in going into matters at such length. If any of you gentlemen can suggest any improvements in our regulations, we shall be glad to give your suggestions a candid consideration. We are not immovably wedded to our opinions; we are not above receiving instruction, come from what quarter it may. Working details of bank management are in a great measure a sealed book, even to those most interested in them, viz., shareholders. As to the public generally, they are indifferent to them; and were they otherwise, it would be difficult for them to find ready sources of information. For your special advantage, we have in some measure lifted up the veil, by showing you the more important of the rules which are being faithfully carried out at the Hallamshire Bank. You will observe that we have not spared our own brotherhood of directors. It is our opinion, that in nine cases out of ten the causes of bank disasters of a ruinous character may be traced to the 'board of directors;' either from defective regulations, or want of vigilance and firmness in carrying them out, or from not seeing with sufficient clearness their weighty responsibilities to their shareholders."

NOTTINGHAMSHIRE BANKING COMPANY—MOORE AND ROBINSON.

At a general meeting of the shareholders of this company, held on the 28th July, at the George Hotel, Nottingham, it was unanimously resolved to convert the bank into a limited company: and for the purpose of extending the operations of the bank it was also resolved to create 30,000 new shares of £3 each, of which 10,000 are to be offered to the present shareholders in the proportion of one new share for three original ones, at a premium of £1. 15s. per share: a second 10,000 are to be offered to customers at a premium of £2. 10s. per share; and the remaining 10,000 are to be held in reserve for future decision. The premiums on the new shares are to be added to the reserve fund, which it is intended to increase to £100,000.

LLOYDS' BANKING COMPANY, LIMITED.

THE purchase by this company of the banking business of Messrs. Philip and Henry Williams, of Wednesbury, was ratified at a meeting of shareholders held in Birmingham on the 7th August. The premium on the shares already applied for would be equivalent to the goodwill. Mr. Henry Williams will have a seat at the board of directors. The bank of Messrs. Philip and Henry Williams was one of the oldest in the midland counties, and it continued to retain its position and connections in the face of very sharp competition raised by the joint-stock companies. The tendency in the midlands is for all banking business to fall into the hands of joint-stock companies. In Birmingham and the neighbourhood four private banking firms have been merged into joint-stock companies within a few months—Attwoods, Spooner, and Marshalls' business, after the failure, went to the Birmingham Joint-Stock Bank; and now the three firms of Lloyds and Co., Moillets and Co., and Philip and Henry Williams, form one limited liability company. There are other instances of the same tendency in other parts of the district.

CONVERSION OF THE TURKISH DEBT.

THE details of the conversion and unification of the internal debts of the Ottoman Empire have been published. The operation is to be proceeded with simultaneously at Constantinople, London, Paris, Amsterdam, Frankfurt, Alexandria, Vienna, Turin, Genoa, and Brussels. The arrangements appear to be in every point satisfactory, and the coupons will be payable at the Imperial Ottoman Bank at Constantinople, London, and Paris, on presentation, except the special coupons relating to the arrears of interest on the ten-years Serghis, due January and July, 1866, which will be paid on their respective due dates. In order to facilitate the operation of the conversion, and to avoid the necessity of issuing provisional certificates and sending the original bonds for verification to Constantinople, the Imperial Ottoman Government has appointed verifiers to attend at London and Paris, besides the commissioners-delegates, during the whole period appointed for the conversion, to verify the bonds tendered for conversion.

STANDARD BANK OF BRITISH SOUTH AFRICA.

THE following circular has been issued by the directors of the Standard Bank of British South Africa, on the subject of the depreciation of the shares in that establishment:—

"Sir,—In consequence of the immense depreciation in the market value of the shares of this company, a depreciation wholly unwarranted by any official information which has reached us up to the last advices from the Cape, I am instructed by the directors to communicate to you the following, being the latest intelligence to hand regarding the accounts of the company:—

"The bank's general manager, writing from Port Elizabeth, where the commercial crisis has been chiefly experienced, states, that having carefully scrutinised all the bad and doubtful debts at that branch, he estimates our losses there at £20,400.

"From Natal, where the crisis has also been very severe, the manager reports £100 will cover his loss, although the business transacted thereby the Standard Bank has been very considerable.

"Satisfactory reports have likewise been received from Cape Town and the other large branches of the company; and the chief manager of the Orange Free State branches (where, consequent on the action of the local Government, preparations had been made for withdrawal previous to the outbreak of hostilities) reports that 'at Bloemfontein and Fauresmith he does not think our interests will much suffer; but at Smithfield, the seat of war' (where the bank has a small agency), he states—'we may prepare ourselves for some loss.' This agency had only a credit of £10,000, and as the business had been contracted prior to the outbreak of hostilities the loss can only be small.

"If the directors, therefore, take twice the reported losses, or say £40,000, in all to cover any additional losses, they trust that they will then have provided for all the losses of the bank according to the information which has yet reached them.

"The directors much regret these heavy losses, but there stands at the credit of reserve fund £56,000, and at credit of net profits for the half-year ending 30th June last, £23,000, making in all £79,000, which, deducting the estimated losses, will leave the capital of the bank intact, and the balance at the credit of reserve fund.

"In the event of any further intelligence of sufficient importance being received before the next ordinary general meeting in October, the same will be communicated by circular to the shareholders.

"I am, Sir, your very obedient servant,

"W. F. SEABLE, Secretary.

"The Standard Bank of British South Africa, Limited,
90, Cannon Street, London, August 25."

Reviews.

Tables for calculating Interest on Deposit Receipts. By HENRY JON HAMILTON. Ward & Co., Belfast.

THESE tables have been worked for the purpose of calculating, almost at a glance, interest on deposit receipts of the Provincial Bank of Ireland, from the 1st January, 1862, to the 31st December, 1871. The calculations are based upon the rates of interest allowed from time to time, but, of course, the same principle would be applicable to any other bank, allowance being made for the difference in the interest. The construction of the tables is very simple, and will enable any person to calculate interest as easily as the discount on a bill.

Communications.

To the Editor of the "Bankers' Magazine."

LIMITED LIABILITY.

Dublin, August 8th, 1865.

SIR,—I have been requested to submit to your decision a question on the subject of "Limited Liability," which has been the occasion of considerable discussion.

The commonly received notion is that in a limited liability company each shareholder is liable only to the extent of the shares which are registered in his own name. Now it is alleged that, in virtue of a recent decision, his liability goes much farther; that if the company should become bankrupt, and some of the shareholders should be unable to pay up the full amount of their shares, the solvent shareholder is bound, in proportion to the number of shares he holds, to make good their deficiencies. Take, for example, the case of a joint-stock bank, limited, with £50 shares, £10 paid up. Let it be supposed that I have ten shares in that bank. According to the common notion of "Limited Liability," I cannot be held liable under any circumstances for more than £500. But if the alleged decision be upheld such a notion would be very erroneous indeed. It is possible the bank might be unsuccessful in business, and that in order to meet its liabilities, it might be necessary to call in the whole of its capital. It is also possible that many of the shareholders should be unable to meet this call. In such a case it is affirmed that I should be obliged not only to pay up the full amount of my own shares, but also to make good a certain proportion of the deficiency. In other words, the whole capital of the company must be available to pay the debts of the company, and if any shareholder cannot pay his proportion of the capital, the other shareholders must pay it for him.

You will much oblige a large section of your readers if you can say whether this decision has been given, or whether the principle on which it rests is good in law.

BANKER.

[We have never heard of such a decision, nor are we aware of anything in the "Limited Liability Act" which could justify it.]

PRACTICE WITH REGARD TO CHEQUES.

15th August, 1865.

SIR,—I beg the favour of your opinion upon the following case:—

A cheque drawn on branch A. is presented for payment at branch B., where the payee has an account. He takes part in cash and places the remainder to his credit. The cheque is returned by A. with the answer "refer to drawer." The payee now seeks to recover the amount from his

banker, objecting to its being deducted from his account, and alleging (through his solicitor) that the fact of the cheque being cashed by a branch bank is equal to its being duly honoured, and the banker has no right to return it.

Now, I want to know if any case can be quoted where custom would sanction such a proceeding, or whether there is any legal point in which the payee can support his claim.

Your obedient servant

Y.,

[We are not aware of any such case having been the subject of a judicial decision; we cannot, however, see on what grounds the claim can be supported.]

One more question—

A cheque is drawn on a London banker payable to "No. 14,936 or bearer," and crossed "to the order of A. B." Is it necessary to demand the endorsement of A. B.?

Y.

[No; the cheque having been originally issued to "bearer" is not limited by endorsement.]

CHEQUES DRAWN FROM ABROAD.

SIR,—Will you inform me whether a cheque drawn in Paris on a banker in England should bear a penny, or an ad valorem stamp, or both; also, if it would make any difference in this respect, if the cheque were sent direct to the bank by the drawer, or had passed through other hands before reaching it.

Yours obediently,

August, 1865.

ENQUIRE

[All cheques drawn abroad require an ad valorem stamp when presented for payment in England.]

BANK AND OTHER AMALGAMATIONS.

Manchester and Liverpool District Bank,

Manchester, August 28th, 1865.

SIR,—In the article, entitled "Overend, Gurney and Co., Limited," which appears in your publication for this month, the following passage occurs:—

"Going into the provinces, we find, among many others, that Lloyd, Entwistle and Co., of Manchester, have gone into one limited company, &c."

I beg to inform you that the business of Messrs. Lloyd, Entwistle and Co., in consequence of the failing health of some of the partners, was sold to this bank, which has not adopted the principle of limited liability or privilege, under certain circumstances, of not paying its debts to the full extent of its means.

I request that, in your next publication, you will correct the above error, which is likely to be injurious, as the most valuable class of

depositors—viz., that which puts its reserves of income into banks for safe custody rather than to make large interest—is well aware that banks like this, constituted under the Act 7 Geo. IV., c. 46, are better security for money deposited than those established under the Limited Liability Act.

I am, Sir,

Your obedient servant,

THOMAS COOKE,
Managing Director.

BANKING OBITUARY.

June 22.—At Ootacamund, Neilgheny Hills, Mr. Charles Anthony Johnston, late accountant of the Madras Savings' Bank and Treasury aged 57.

August 7.—At Vinkwall, Robert Easton, Esq., banker.

August 8.—At 4, Westbourne Road, Forest Hill, Mr. Thomas Tibbs, late of the London and Westminster Bank, in his 87th year.

August 10.—At 181, Albany Road, Camberwell, Mr. James Payne, for 53 years in the Bank of England, aged 78.

August 10.—At Aberdeen, Mr. Alexander Balfour, of the Bank of England, aged 57.

August 11.—At his residence, Claremont, Manchester, Sir Benjamin Heywood, Bart., banker, of Manchester, in the 73rd year of his age.

August 17.—At Clifton, James Lloyd, Esq., of Birmingham, banker, aged 59.

MERCANTILE SUSPENSIONS.

The only suspensions announced during the month of August were the following :—

Messrs. F. W. Parker & Co., Carlisle, manufacturers.

Mr. Baldwin von Bartels, London, South American trade.

Messrs. Kitchum, Son & Co., New York, bankers.

MONTHLY CHRONOLOGY.

August 3.—The directors of the Bank of England, at their weekly board meeting, made a further advance in the rate of discount from $3\frac{1}{2}$ per cent., at which it was fixed on the previous Thursday, to 4 per cent.

4.—Suspension announced of Messrs. F. W. Parker & Co., manufacturers, of Carlisle.

5.—Stoppage of Mr. Baldwin von Bartels, of Pinner's Court, Old Broad Street, in the South American trade, with £70,000 liabilities.

17.—Return of the Great Eastern steamer to Crookhaven, bringing

intelligence of the failure in successfully laying the Atlantic telegraph cable.

28.—Intelligence received of the suspension of Messrs. Kitchum, Son, and Co., bankers, of New York, said to have been caused by the discovery of extensive issues of forged gold certificates and abstraction of funds and securities by Mr. Edward Kitchum, one of the partners—the amount of defalcation being variously estimated at from two and a half to five millions of dollars, involving in losses several bankers and brokers. The defaulting partner is further said to have left the city with 60,000 dollars of the abstracted funds in his possession.

BANK MOVEMENTS.

The London and South Western Bank have removed their head office to East India Avenue, Leadenhall Street; the late head office in Regent Street will in future be the West-end branch.

It is announced that Mr. George Henry Briant, manager of the English Joint-stock Bank at Guildford, has been appointed manager of the Nottingham Joint-stock Bank.

It is announced that the old and respectable private bank of Messrs. Philip and Henry Williams has agreed to amalgamate with Lloyd's Banking Company, Limited, of Birmingham.

SWANSEA SAVINGS BANK.—During the half-year ending the 20th of May last this bank received in deposits £22,319. 19s. 7d., also interest from National Debt Office, £2,851. 18s. 2d., and transfers from other savings banks, £48. 10s. 4d. The repayments to depositors reached £19,661. 18s. 6d., and the transfers to Post office and other savings-banks only amounted to £320. 9s. 3d., which shows that confidence is felt in the management and stability of the old bank. The expenses of management for the half-year were £237; and the balances on the 20th of May stood as follows:—Invested in National Debt, £179,553. 17s. 10d.; separate surplus fund, £1,700; Glamorganshire Banking Company, £1,738. 8s. 9d.; making a total of £182,992. 6s. 7d., as compared with £177,987. 7s. 11d. on the 20th November, 1864, being an increase of £5,004. 18s. 8d.

FINSBURY AND CITY OF LONDON SAVINGS BANK, 76, Cheapside and Clerkenwell.—The managers of this institution held their half-yearly meeting on the 28th July, at the office in Cheapside; Mr. R. Morland in the chair. The accounts of the official auditor, Mr. S. Lovelock, to the 31st of May, were presented and approved. The statements showed an increase over the last year in the number of the new accounts; that the amount transferred from the Post Office and other banks to this bank had been nearly double the amount transferred to them, while the numbers had been nearly equal; and that the capital of the bank had been increased by the sum of £11,552. 9s. 10d. since the last meeting.

Notes of the Month.

HAMPSHIRE BANKING COMPANY.—We publish in our columns the thirty-first annual report of the directors of this company made to the shareholders on the 1st August, and we refer with pleasure to the successful progress the company is making, proving that the extension of its operations during the past few years was the result of sound judgment, and must be very encouraging to the shareholders. The profit of the year's business, after paying the current expenses, &c., amounts to £26,400. 5s. 10d., sufficient to pay the usual dividend of 10 per cent. per annum, as well as the annuities, and a bonus of 7s. per share on the old and new shares, thus yielding a very handsome dividend to the proprietors. The able general manager, Mr. Atkins, retires from the more active duties of the bank, and now fills the office of a director, and is succeeded by Mr. Thomas Keeping and Mr. Richard Legg. The shareholders marked their special appreciation of the long and valuable services of Mr. Atkins by voting him a retiring allowance of £500 per annum. Cordial votes of thanks were given to the chairman and board of directors, to the managers, and other officers of the establishment, for their attention to the interests of the company. After the annual general meeting of the shareholders had taken place, and the appointment of Mr. Atkins as a director had been confirmed, a very gratifying expression of feeling was evidenced towards him by the presentation of a handsome epergne as a mark of esteem and respect, from the whole of the staff of this now large county establishment. We cannot but admire the desire that prompted such a graceful act, which must indeed have been most welcome to the late manager after such a long and successful career with many of those who thus express their pleasure in being associated, and who, we imagine, were the first to congratulate him, upon his appointment as a director.—*Hampshire Independent.*

ROCHDALE PROPERTY AND GENERAL FINANCE COMPANY, LIMITED.—At the first annual general meeting of shareholders, held at Rochdale, on the 31st July, Mr. Handley in the chair, the following resolutions were unanimously adopted;—That the balance-sheet and report do pass.—The directors' report declared a dividend of 10 per cent., leaving a balance equal to 14 per cent. to be placed in reserve. The statement of accounts up to the 30th June, 1865, showed that after paying the current and one-fifth of the formation expenses, and providing for the rebate of interest on mortgages, bills, &c., not yet matured, there remained for disposal a sum equal to over 24 per cent. During the past year the directors state they have had various investments and projects before them, some of which have been secured. A plot of land has been leased at Dearnley, on which it is the intention of the Board to erect a number of cottages, which are said to be in great demand. Hitherto, however, the building department has had to give way for a more lucrative business, money on mortgages being in great demand. It was resolved that the number of directors be reduced to eight for the ensuing year, and that the share list be re-opened and the public charged 2s. 6d. per share.

TENDERS FOR BILLS ON INDIA.

The biddings for bills on India took place on the 2nd August at the Bank of England. The proportions allotted were—to Calcutta, Rs. 16,35,000; to Madras, Rs. 20,000; and to Bombay, Rs. 10,00,000. The minimum price was as before, 1s. 10½d. on Calcutta and Madras, and 1s. 10¾d. on Bombay. Tenders on Calcutta and Madras at 1s. 11¼d. will receive about 75 per cent., and on Bombay at 1s. 11¾d. about 70 per cent. Further

biddings took place on the 16th August. The proportions allotted were—to Calcutta 16,93,000 rupees, to Madras nil, and to Bombay 9,70,000 rupees. The minimum price was as before, 1s. 10½d. on Calcutta and Madras, and 1s. 10½d. on Bombay. Tenders on Calcutta at 1s. 11½d. will receive about 30 per cent., and on Bombay at 1s. 11½d. about 80 per cent. above these prices in full.

EXTRAORDINARY AMERICAN DEFALCATIONS.

It seems to be a reasonably well-established fact that crime has its epidemics no less than disease. Certainly the criminal history of this country for the past year would seem to afford a significant proof of the truth of this new apophthegm. We have the epidemic of murder, the epidemic of suicide, the epidemic of highway robbery, the epidemic of rape; in fact, these social diseases are even now at their height, and baffle the skill of the doctors; but most striking, and to some most alarming of all, is the epidemic of defalcation which has set in with extraordinary fury. In this city (New York) alone within the past week no less than four great defalcations have come to light. The commercial community was first startled by the Phoenix Bank robbery, of which the paying teller of the institution, one Jenkins, was the "hero." This swindle was alluded to in my last letter, and very few new features have since been developed. The amount of the embezzlement reaches 320,000 dollars. At the examination of the criminal to-day, Jenkins waived further preliminary proceedings and was committed for trial. His operations can be characterised as nothing less than extraordinary. He lavished the stolen money among prostitutes of the lowest order, and he seems to have been so greatly terrified at the fear of detection that his guilty conscience saw knowledge of his crime in every face upon which he looked. Fearing every bush an officer, he gave, according to his own statements, large sums of money to abandoned women whom he met, "because they looked as if they knew something about it." It seems that he and his principal accomplice, Earle, frequently discussed the probabilities and consequences of detection, and that Earle invariably declared that if his misdeeds were discovered, he would commit suicide. Jenkins ultimately expressed the same determination; but as it turns out, Earle alone fulfilled his promise. Jenkins was deeply affected when informed of Earle's death, declaring that he was "a good man," "no black-mailer," and "unfortunate rather than erring." Earle left a letter, in which he stated that he died "innocent, but wronged!"

The Phoenix bank robbery was followed by the "failure" of one P. E. Mumford, a broker doing business at 19, Wall Street, New York. This "failure" was simply another gigantic robbery, Mumford absconding with some 200,000 dollars belonging to merchants and speculators for whom he was an agent. Treading close upon the heels of this defalcation came another; a clerk in one of the largest banking-houses in the city being the principal in the robbery. The amount of money abstracted from this institution was 280,000 dollars; but the friends of the criminal, who represent the best people of the metropolis, have repaid to the bank the sum stolen from it by this person, and he has been packed off to

Europe, sailing from Boston to-morrow. Inasmuch as the journals of the metropolis have consented to withhold publication of the criminal's name it is perhaps well to follow their example. Let us hope that H— will, live to appreciate the value of wealthy relatives, and the narrowness of his escape from a felon's cell. This great robbery was discovered simultaneously with that which has inflicted a loss of between 300,000 and 400,000 dollars upon Ketchum and Company, the great New York dealers in Government bonds; dishonest clerks being in this case, as in others, the parties at fault. Ketchum and Company have suspended business. There are rumours in Wall Street of other great robberies; and a panic prevails in financial circles. With reason, too; for no depositor can feel safe when such enormous defalcations as those above chronicled are daily, nay hourly, coming to light. The defalcation by Smith J. Eastman, with a loss to his creditors of some 400,000 dollars, his flight to Europe, and final bringing-up in the hands of the French authorities, after a season in a French mad-house, have been commented upon by you; the recent arrest in Liverpool of Jeremiah Townsend, the Connecticut bank-clerk who ran away in May last with 100,000 dollars belonging to somebody else, has also been noticed in English journals; while the case of Windsor, our mercantile bank defaulter, has occupied the attention of your courts. In the West also, this epidemic is showing itself. On Sunday last the clerk of the United States quartermaster in Louisville was arrested in Cincinnati, on a charge of robbing the government of 20,000 dollars. And still another. Mr. A. P. Stone was the treasurer of the State of Ohio. He was appointed to fill that position by Salmon P. Chase, at the time of the appointment of governor of the States (since secretary of the United States treasury, and now chief justice), because of his presumed sterling integrity. He was chosen to fill a vacancy caused by the flight of Breslin Gibson, the regularly elected state treasurer, who absconded with some 300,000 dollars belonging to the state. Stone was also made collector of revenue for a large district. He engaged in cotton speculations, using government and states money for the purpose, lost heavily, resorted to the gaming table in the hope of recovering the deficiency, lost again, came away worse than a beggar, wandered into a cemetery, wrote a letter of farewell to his friends, and then swallowed a large quantity of laudanum, from the effect of which he ultimately died. His robberies amounted in the aggregate to 95,000 dollars.

There must be some inherent rottenness in the American system of finance to permit the occurrence of these enormous robberies. One can understand how a sharp, shrewd rascal, in a responsible position, can conceal his thefts for a time; but we are astounded at the facility with which bankers' clerks, and mere subordinates, can withdraw hundreds of thousands of dollars from the institutions by which they are employed, and continue their speculations for weeks, months, years, without discovery. Since the Phoenix Bank robbery came to light, examination has revealed the fact that over 40,000 dollars were stowed away in the bank by Jenkins, in odd corners, pigeon holes, and the like for subsequent removal.

TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month and six months ended the 30th Junewere issued on the 31st July, and again show rather unfavourable results as compared with previous returns: The falling off in the value of exports, however, is not very great, and is chiefly to be attributed to the decline in linen, woollen, and worsted manufactures. The total declared value of exports for the month last past was £13,227,062, against £13,978,526 in 1864, and £11,271,527 in 1863, which is a decline of £751,464 as regards the former period, but an increase of £1,955,535 over the latter. The total declared value for the six months of the present year is £74,128,638, against £78,047,586 in 1864, and £62,014,197 in 1863, which shows a falling off of £3,918,948 as compared with 1864, but an increase of £12,114,441 as contrasted with 1863. With respect to exports there is shown an increase in alkali, beer and ale, coals and culm, cotton yarn, cotton manufactures, hardware and cutlery, seed oil, wool and woollen and worsted yarn; but a decline in arms, ammunition, &c., earthenware and porcelain, haberdashery, and millinery, linen yarn, linen manufactures, machinery, metals, thrown silk, silk manufactures, British spirits and woollen and worsted manufactures. As regards imports, there is shown an improvement in guano, leather manufactures, flaxseed and linseed, tallow, wool, cocoa, coffee, tea, and wine; on the other hand, there is a falling off in raw cotton, flax and hemp, raw silk, spirits, and unrefined sugar. In the case of cereals, there has been an increase in wheat, barley, oats, beans, and Indian corn; but a decrease in peas and wheat meal and flour. As regards provisions, there has been an increase in butter, cheese, and eggs, with a decline in bacon and hams, and salt beef and pork. The changes in the various articles will be found enumerated in the annexed tables:—

EXPORTS.

	1864.	1865.
Coals and culm tons	751,367	795,049
Cotton manufactures yards	151,786,765	167,553,664
Cotton yarn lbs.	6,930,157	10,024,418
Haberdashery and millinery value £	373,673	369,183
Linen manufactures yards	18,610,958	17,870,321
Linen yarn lbs.	3,879,178	3,228,000
Iron, pig tons	49,308	44,975
Ditto, railway "	43,004	41,643
Copper, unwrought cwts.	11,834	8,631
Ditto, sheets, nails, &c. "	57,168	36,972
Oil seed gallons	437,118	836,197
Silk manufactures value £	131,076	119,708
Ditto, thrown lbs.	62,533	43,783
Spirits, British gallons	267,676	151,047
Woollen cloths, &c. yards	2,384,520	1,974,626
Woollen and worsted yarn lbs.	2,971,016	3,499,061

IMPORTS.

		1864.	1865.
Cocoa	lbs.	950,198	1,211,677
Coffee	"	8,826,954	11,917,267
Wheat	qrs.	1,761,561	2,078,046
Wheat-meal and flour	cwts.	314,221	262,250
Cotton, raw	"	790,304	471,831
Flax	"	240,500	175,481
Hemp	"	89,905	61,987
Hides, tanned, &c.	lbs.	314,746	636,353
Leather manufactures	pairs	769,647	693,780
Butter	cwts.	65,126	67,134
Cheese	"	29,718	33,377
Flax-seed and linseed	qrs.	73,509	97,722
Silk, raw	lbs.	899,662	183,225
Silk, thrown	"	1,783	2,224
Silk manufactures	"	180,207	235,471
Spirits	gallons	1,232,268	701,801
Sugar, unrefined	cwts.	1,354,058	1,177,424
Tallow	"	56,032	60,309
Tea	lbs.	8,991,493	9,639,689
Tobacco	"	2,457,871	2,422,723
Wine	gallons	1,378,080	1,408,053
Wool	lbs.	18,357,648	25,793,591
Woollen manufactures... ..	value £	118,445	138,565

Monetary Intelligence.

MONETARY REVIEW FOR THE MONTH OF AUGUST.

THE commercial and financial events of August have not been very important. We have had a quiet money market, limited stock speculations; and rather doubtful weather for the harvest; at the same time business has been especially restricted through the holiday season, the operators and others having in the absence of activity prolonged their vacation. It now seems pretty certain that the Bank directors will not advance the official minimum at present; indeed it is possible they may in a week or so reduce it $\frac{1}{2}$ per cent., an influx of bullion having set in and there being no Continental demand for export. The silver market remains quiet, the last advices from Calcutta and Bombay showing the rates of exchange to be favourable for this country. The best short paper is now discounted at $3\frac{1}{2}$ per cent., and three and four months' bills can be done at $3\frac{1}{2}$ and $\frac{1}{2}$ per cent.; Six months' paper is not freely negotiated. It may be remembered that the rates of money on the Continent are cheaper than in the United Kingdom.

The operations in English security have been limited. Prices have latterly been firmer owing to the purchases of the government bonds on behalf of the Sinking Fund and the investments of the public. Still the market must be considered in a quiet situation.

There has been no movement of consequence in foreign stocks. Steadiness is now the feature with a slight tendency to improvement, and next month there probably may be a return of buoyancy. Very few speculative transactions have recently taken place.

The railway market is at length recovering from its lethargy. The traffics are more favourable, the public have become buyers, and the dis-

position is evidently to give attention to this department. All the shares of the principal lines exhibit a decidedly firmer appearance.

Joint stock bank shares, finance and credit shares are all more or less gradually improving. If we turn the corner in business we may see a revival in quotations before long.

The produce markets remain very quiet.

THE GRAIN TRADE.

BUSINESS in nearly all the corn markets throughout the country has been anything but active during the last two or three weeks. As is usual at this period of the year, much depends upon the state of the weather for getting in the harvest, and as much rain has recently fallen, fears are beginning to be entertained that the corn yet to be gathered in may be seriously injured, should there not be a return of warm and genial weather. The price of wheat has consequently considerably advanced, and other grain in proportion. At the markets most recently held, even still higher prices have been demanded, but buyers refuse to respond, except in very pressing cases. The latest average quotations were wheat, 43s. 1d. per qr.; barley, 27s. 11d. per qr.; and oats, 23s. 10d. per qr. The price of wheat is now about the same as it was at the corresponding period last year.

The *Gazette* returns for England and Wales have been :—

Week ending, 1865.	Wheat. Qrs. sold.		Weekly Average. s. d.		Duty. s. d.		Corresponding Weeks Last Year. s. d.
July 29	63,828	...	42 10	...	1 0	...	43 0
Aug. 5	54,864	...	42 6	...	1 0	...	44 0
" 12	53,311	...	42 0	...	1 0	...	44 1
" 19	45,752	...	43 1	...	1 0	...	43 6

The importations since the harvest of 1864 have been :—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Fifty-three weeks ended 22nd July...	18,569,407	25,664,631	44,234,038
Four weeks ended 19th August ...	1,753,805	1,897,825	3,651,630
	20,323,212	27,562,456	47,885,668

And the weekly averages have been :—

Fifty-three weeks ended 22nd July ...	350,000	484,000	834,000
Four weeks ended 19th August ...	438,000	474,000	912,000

More 88,000 Less 10,000 More 78,000

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February and August, instead as formerly in May and November. This has been rendered necessary by the great increase of the Meetings of the Banks and Discount Companies, which will be always carefully collected in the pages of the *Bankers' Magazine*. We shall also give the proceedings of the various Credit and Finance Companies as they are more or less associated with banking, so that our subscribers and readers can refer to them without difficulty. Correspondents will please forward communications addressed to the Editor, No. 8, Birch Lane; subscriptions and orders as usual to Messrs. Groombridge and Sons, Paternoster Row, or Messrs. Waterlow and Sons, Carpenters' Hall, London Wall. **BANKING AND FINANCIAL ANECDOTES.**—It will be perceived from notice elsewhere, that the Editor of the *Bankers' Magazine* is collecting and arranging a series of Banking and Financial Anecdotes. Any contributions from subscribers and readers of the *Magazine* will be thankfully received, particularly if the subject-matter shall not have previously appeared in print. Nothing personal or offensive will receive publicity.

One or two communications stand over.

BANK OF FRANCE.

DEBTOR.

	Aug. 3.		Aug. 10.		Aug. 17.		Aug. 24.	
	F.	C.	F.	C.	F.	C.	F.	C.
Capital of the Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
Profits in addition to Capital (Art. 8, Law of June 9, 1857) ...	7,044,776	2	7,044,776	2	7,044,776	2	7,044,776	2
Reserve of the Bank and its branches ...	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
Reserve in landed property ...	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
Notes in circulation ...	898,333,075	0	897,359,925	0	877,849,735	0	879,823,825	0
Bank-notes to order and receipts payable at sight ...	8,543,414	9	8,387,270	77	7,873,722	48	8,176,990	35
Treasury account current, creditor... ..	144,919,196	24	149,176,877	17	146,894,393	66	156,297,391	18
Current accounts, Paris	179,439,442	81	170,182,122	31	170,862,745	15	159,163,409	90
Do. branch banks ...	39,543,694	0	30,024,949	0	31,290,874	0	31,425,105	6
Dividends payable ...	2,674,673	75	2,267,865	76	2,037,233	75	1,834,423	75
Discounts and sundry interests ...	2,979,391	89	3,393,863	96	3,736,010	98	4,014,849	69
Re-discounted the last six months ...	1,427,623	17	1,427,623	17	1,427,623	17	1,427,623	17
Surplus of receipts not distributed ...	752,993	36	752,993	36	752,993	36	752,993	36
Sundries... ..	11,614,951	62	10,403,105	92	10,185,278	40	9,739,913	96
Total	1,605,923,873	9	1,498,031,121	57	1,464,501,226	11	1,467,302,029	62

CREDITOR.

	Aug. 3.		Aug. 10.		Aug. 17.		Aug. 24.	
	F.	C.	F.	C.	F.	C.	F.	C.
Cash in hand and cash in the branch banks	493,250,442	55	496,367,696	40	498,070,193	67	500,449,290	61
Commercial bills overdue	407,101	52	200,032	67	611,645	7	220,275	84
Commercial bills discounted, not yet due	303,419,247	45	310,630,346	19	293,692,627	12	292,393,430	91
Do. branch banks ...	325,710,323	0	308,820,460	0	312,323,070	0	299,354,419	0
Advances on deposits of billion	60,701,323	25	60,062,023	25	54,102,673	25	53,366,073	25
Do. branch banks ...	12,155,554	0	12,324,654	0	12,341,700	0	11,939,500	0
Do. on French public securities	14,024,100	0	14,711,100	0	14,589,200	0	14,769,400	0
Do. by the branch banks	10,470,900	0	10,425,000	0	10,625,700	0	10,599,800	0
Do. on railway shares and debentures ...	31,078,900	0	30,711,400	0	30,611,100	0	30,559,200	0
Do. by the branch banks	21,435,290	0	21,618,390	0	21,655,790	0	21,549,690	0
Do. on Crédit Foncier lands	666,700	0	676,700	0	676,200	0	664,400	0
Do. branches	517,250	0	540,760	0	542,950	0	523,050	0
Do. to the State (Convention June 10, 1857)	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
Government stock reserve	12,990,750	14	12,990,750	14	12,990,750	14	12,990,750	14
Do. disposable	36,557,487	91	36,557,487	91	36,557,487	91	36,557,487	91
Rentes Immobilisées (Law of June 9, 1857)	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
Hotel and furn. of Bank, and landed property of branches ...	8,453,608	0	8,410,303	0	8,413,566	0	8,426,191	0
Expenses of management	637,426	2	676,093	65	677,939	75	906,807	53
Sundries... ..	12,557,439	25	12,117,914	37	10,127,654	30	12,104,874	33
Total	1,505,923,873	9	1,498,031,121	57	1,464,501,226	11	1,467,302,029	62

FLUCTUATIONS IN ENGLISH AND FOREIGN STOCKS AND RAILWAY SHARES.

	Price on July 28.	Highest.	Lowest.	Price on Aug. 28th.
ENGLISH FUNDS.				
Consols	89½ to 90½	90½	89	89½ to 90
Exchequer Bills	par to 4pm	4/ pm.	3/ dis.	3/d to 1/4m
FOREIGN STOCKS.				
Brazilian	—	101	97	100½
Buenos Ayres	85	87	85	87
Chilian	—	103½	102½	103
Dutch 2½ per cents.	—	63	61½	61½
Mexican	23½	23½	22½	23½
Peruvian 4½ per cents.	—	78	76½	76½
Russian	93½	93½	92½	93
Spanish	—	47½	47½	47½
Turkish 6 per cents.	94	94½	93½	94
Ditto 4 per cents.	—	102½	101½	102
RAILWAY SHARES.				
Brighton	106	107½	106	106½
Caledonian	132½	134	131	133½
Great Eastern	47½	49½	45½	46½
Great Northern	131	132½	130½	132
Great Western	65½	67½	64½	66
Lancashire and Yorkshire	120	121	118½	121
London and North Western	122	125½	121½	125½
Midland	132	132½	128½	130½
North Staffordshire	79½	80	78	77½
South Eastern	83	84	78½	79½
South Western	99½	100½	98½	98½
York, Newcastle, and Berwick	111½	112	110	111½
York and North Midland	102½	104½	102	104½
East Indian	103½	103½	102½	103½
Northern of France	—	43	42½	43

CREDIT, FINANCE AND DISCOUNT COMPANIES.

	Share.	Paid.	London latest Price.		Share.	Paid.	London latest Price.
Australian Mortgage, Land and Finance (Lim.)	25	8	2½	Imperial Mercantile Credit (Lim.)	20	5	4½
Consolidated Discount (Lim.)	50	10	5	International Land Credit	20	5	7½
Contract Corporation (Lim.)	100	7½	2½	Joint Stock Discount (Lim.)	25	10	9½
Credit Foncier of Mauritius (Limited)	50	10	7	Land Credit of Ireland	20	5	4½
Credit Foncier and Mobilier of England	20	5	3½	Land Securities	20	5	4½
Discount Corporation (Lim.)	100	20	13.	London Financial Association (Lim.)	20	15	24½
East India Financial	50	7½	3½	London Mercantile Discount	20	10	1
Egyptian Commercial and Trading	20	4	3½	Mauritius Land, Credit and Agency (Lim.)	20	2	1
English and Foreign Credit	50	7½	5	National Discount Co. (Lim.)	25	5	14½
Financial Corporation	100	2	...	Oriental Financial	50	10	4½
Financial Discount (Lim.)	50	10	3	Ottoman Financial Association (Lim.)	20	15	1
General Credit and Finance of London (Lim.)	25	4	5½	Overend, Gurney & Co. (Lim.)	20	7	10½
International Financial Society (Lim.)	20	5	6½	Société Financière d'Égypte (Lim.)	20	10	4½
International Contract	50	10	6	South African Mortgage and Investment (Lim.)	20	5	12½
				Warrant Finance (Lim.)	20	10	1

JOINT-STOCK BANKS.

	Share.	Paid	London Latest Prices		Share.	Paid	London Latest Prices
gra and Masterman's,							
Limited	50	25	57½xd	Ionian, New	25	5	5
tion	50	10	6½	Land Mortgage Bk. of India	20	4	4½
ance Bank of London				London Bank of Mexico and			
and Liverpool, Limited ...	100	25	30	South America (Limited)	50	15	13½
Ditto, issued at 20 pm. ...	100	20	23½	London Bank of Scotland			
ago Austrian Bank	20	6	7	(Lim.)	100	13	...
ago-Egyptian (Lim.)	50	12½	12½	London and Brazilian Bank	100	40	43
ago-Italian (Lim.)	50	15	11½	London, Buenos Ayres and			
atic Banking Corporation,				River Plate, Limited ...	100	40	50
New Shares issued at £15				Ditto, New, issued at			
pm, on which £7. 10s. is				1½ pm.	25	10	13
paid	20	5		London Chartered of Australia	20	20	25
ank of Australasia	40	40	76	London and County Bank ...	50	20	75½xd
Ditto, New	40	40	75½	London Joint Stock Bank ...	50	15	47½
ank of British Columbia...	20	20	23½	London & South African Bk.	20	20	17½xd
ank of Egypt... ..	25	25	29½xd	London and South Western			
ank of London	100	50	13½	(Limited)	100	20	19xd
ank of Otago (Limited) ...	20	8	6½	Ditto, ditto, New	100	17½	16½xd
ank of Queensland, Limited	100	25	19½	London and Venezuela (Lim.)	50	12½	6½
ank & Californian (Lim.) ...	50	7½	5	London & Westminster Bank	100	20	95
ank of New Zealand	10	10	16½	Merchant Bank (Limited) ...	100	25	26
ank of Victoria, Australia	50	25	44	Mercantile Exchange (Lim.)	50	10	5
used's Bank (Lim.)	50	5	4½	Metropolitan and Provincial			
razilian & Portuguese (Lim.)	20	10	9	Bank, Limited	100	20	15½
ritish North American ...	60	50	46	Ditto, New	100	15	10½
artered Bank of India				Midland Bank (Limited) ...	100	20	18½xd
Australia and China	20	20	24½	National Bank... ..	50	30	94
rtiered Mercantile Bank				Ditto, New	50	26	...
f India, London & China...	25	25	47½	National of Liverpool (Lim.)	100	10	17
r Bank	100	50	105	National Provincial Bank of			
onial Bank	100	25	42	England	100	42	153½
ommercial Bank of Canada	20	20	...	Ditto, 2d and 3d issues ...	20	12	44½
ommercial Bank of India				New South Wales	20	20	41
al the East	25	25	22	New Zealand Bank Corpora-			
ashaded Bank (Lim.)	10	4	10	tion (Limited)	10	1	3
ashental	100	25	...	Ditto, New	10	1	...
Ditto, New	100	15	...	North Western	20	7½	10½
sh and London Bank (Lim.)	50	25	...	Oriental Bank... ..	25	25	52
sh London (Lim.)	50	5	6½	Provincial Banking Corpo-			
tem Exchange	20	5	4	ration	50	7½	4½
ish Joint Stock (Lim.) ...	25	10	11½xd	Ditto, ditto	50	10	7
ish, Scottish and Aus-				Provincial Bank of Ireland...	100	25	86
alian Chartered Bank ...	20	20	21½xd	Ditto, New	10	10	...
ish and Swediah (Lim.)	50	20	16	Scinde, Punjab and Delhi			
opean Bank (Limited) ...	60	15	11	(Limited)	20	10	6½
ouston, China and Japan,				Ditto, issued at 2 pm. ...	20	2	...
Limited	100	25	19	South Australian	25	25	34
Ditto, issued at 2 pm. ...	100	25	19	Standard of British Africa			
Ditto, New	100	20	13½	(Limited)	100	25	15½
pecial (Limited)	100	30	28	Do. New, issued at 6 pm.	100	10	4
pecial Ottoman	20	10	15½	Union Bank of Australia ...	25	25	54
pecial	25	25	26	Union Bank of Ireland, Lim.	100	22	17
				Union Bank of London ...	50	15	53½

Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows:—

ISSUE DEPARTMENT.

	1865. August 4.	1865. August 11.	1865. August 18.	1865. August 25.
	£	£	£	£
Notes issued	28,253,805	27,995,080	27,992,850	27,930,775
Government debt	11,051,100	11,015,100	11,015,100	11,015,100
Other securities	3,634,900	3,634,900	3,634,900	3,634,900
Gold coin and bullion	13,803,805	13,345,080	13,242,850	13,276,775
Silver bullion				
	28,253,805	27,995,080	27,992,850	27,930,775

BANKING DEPARTMENT.

	1865. August 4.	1865. August 11.	1865. August 18.	1865. August 25.
	£	£	£	£
Proprietors' capital	14,553,000	14,553,000	14,553,000	14,553,000
Reserve	3,503,814	3,517,879	3,539,451	3,503,833
Public deposits (Including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	5,214,377	5,264,730	5,336,453	5,622,343
Other Deposits	14,691,737	14,698,181	14,952,737	14,714,565
Seven day and other bills	567,427	553,527	545,150	531,451
	38,515,345	38,577,326	38,928,541	38,993,143
Government Securities (including Dead Weight Annuities)	10,394,209	10,394,209	10,394,209	10,394,209
Other Securities	21,689,818	21,341,857	21,687,044	21,413,299
Notes	5,807,475	5,973,930	5,917,905	6,144,680
Gold and Silver coin	853,543	878,330	937,633	850,354
	38,515,345	38,577,326	38,928,541	38,993,143

THE EXCHANGES.

	August 4.	August 11.	August 18.	August 25.
Amsterdam, short	11 19	11 19½	11 19	11 19
Ditto 3 months	12 1	12 1½	12 1½	12 1½
Rotterdam, ditto	12 1	12 1½	12 1½	12 1½
Antwerp, ditto	25 60	25 55	25 57½	25 57½
Brussels, ditto	25 50	25 55	25 57½	25 57½
Hamburg, ditto	13 10½	13 10½	13 10½	13 10½
Paris, short	25 30	25 25	25 25	25 27½
Paris, 3 months	25 45	25 45	25 47½	25 50
Marseilles, ditto	25 45	25 45	25 47½	25 50
Frankfort, ditto	121	121½	121½	121½
Vienna, ditto	11 37½	11 37½	11 25	11 27½
Trieste, ditto	11 37½	11 37½	11 25	11 27½
Petersburgh, ditto	30½	30½	30½	30½
Madrid, ditto	47½	47½	47½	47½
Cadiz, ditto	48	48	47½	47½
Leighorn, ditto	25 55	25 60	25 62½	25 62½
Milan	25 55	25 60	25 60	25 62½
Genoa, ditto	25 55	25 60	25 60	25 62½
Naples, ditto	25 55	25 60	25 62½	25 62½
Palermo, ditto	25 55	25 60	25 62½	25 62½
Messina, ditto	25 55	25 60	25 62½	25 62½
Lisbon	51½	51½	51½	51½
Oporto	51½	51½	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard)	3 17 9	3 17 9	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0	0 0 0	0 0 0
Silver in Bars (Standard)	0 0 0	0 0 0	0 0 0	0 0 0

Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		July 1.	July 8.	July 15.	July 22.
	£	£	£	£	£
1 Ashford Bank	11,849	11,889	12,077	10,416	10,135
2 Aylesbury Old Bank	48,461	21,777	22,365	21,987	22,407
3 Baldock and Biggleswade Bank ...	37,223	14,976	15,920	16,543	17,264
4 Barnstaple Bank	17,182	3,501	3,776	3,820	3,403
5 Bedford Bank	34,218	28,032	29,273	29,604	29,417
6 Bicester and Oxfordshire Bank ...	27,090	14,671	14,490	14,690	13,960
7 Boston Bank—Claypons and Co....	75,069	71,776	68,871	65,267	64,183
8 Boston Bank—Gee and Co.....	25,161	12,557	12,847	11,577	11,213
9 Bridgewater Bank	10,028	7,075	6,792	6,652	6,654
10 Bristol Bank	48,277	19,078	20,760	20,583	20,824
11 Broseley and Bridgnorth Bank ...	26,717	15,053	16,064	15,664	16,644
12 Buckingham Bank	29,557	17,611	18,548	18,975	18,833
13 Bury and Suffolk Bank.....	82,362	47,078	47,191	47,288	48,185
14 Banbury Bank	43,457	25,997	25,700	26,020	25,171
15 Banbury Old Bank	55,153	18,620	16,859	16,430	17,094
16 Bedfordshire Leighton Buzzard Bk.	36,829	33,085	33,362	35,681	35,702
17 Birmingham Bk.—Lloyds & Co. ...	38,816	2,690	2,508	2,335	2,235
18 Brecon Old Bank	68,271	44,533	44,854	43,971	42,790
19 Brighton Union Bank	33,794	18,148	17,904	18,711	18,383
20 Burlington and Driffield Bank.....	12,745	12,248	12,476	11,841	11,001
21 Bury St. Edmund's Bank.....	3,201	2,906	3,046	2,912	2,912
22 Cambridge Bk.—Mortlock & Co.	25,744	12,371	13,777	12,722	11,712
23 Cambridge and Cambridgeshire Bk.	49,916	38,962	39,315	39,128	38,627
24 Canterbury Bank	33,671	25,647	27,510	30,559	31,223
25 Carmarthen Bank	23,597	14,292	14,536	14,234	13,793
26 Chertsey Bank	3,436	2,615	2,920	2,649	2,442
27 Colchester Bank	25,082	17,433	17,554	16,954	16,869
28 Colchester and Essex Bank	48,704	28,282	29,537	29,405	29,463
29 Cornish Bank—Tweedy & Co. ...	49,869	25,573	26,055	24,689	25,060
30 Coventry Bank	12,045	4,479	4,275	4,197	4,336
31 City Bank, Exeter.....	21,527	14,682	14,669	14,142	14,510
32 Craven Bank—Alecoks & Co. ...	77,154	65,626	65,490	65,467	66,504
33 Chepstow Old Bank	9,387	8,455	8,058	7,800	8,060
34 Derby Bank—Messrs. Evans & Co.	13,332	8,945	9,429	9,259	9,194
35 Derby Bank—Smith and Co.	41,304	24,593	24,966	24,065	23,845
36 Derby Old Bank	27,237	26,305	28,208	28,311	25,845
37 Devizes and Wiltshire Bank	20,674	5,952	6,262	6,382	6,397
38 Diss Bank	10,657	9,903	9,639	10,080	10,344
39 Doncaster Bank and Retford Bank	77,400	66,068	67,590	67,686	66,418
40 Darlington Bank	86,218	80,705	82,198	82,636	80,348
41 Devonport Bank	10,664	6,213	6,350	6,554	6,518
42 Dorchester Old Bank	48,807	35,960	36,765	37,967	38,210
43 East Cornwall Bk.—Robins & Co.	112,280	74,314	75,583	75,393	76,365
44 East Riding Bank—Bower & Co.	53,392	52,872	51,697	51,974	51,653
45 Essex Bk. & Bishop's Stortford Bk.	69,637	37,500	39,039	38,398	38,506
46 Exeter Bank	37,894	20,767	22,205	20,517	21,378
47 Farnham Bank	14,202	5,606	5,745	5,619	5,748
48 Faversham Bank	6,681	5,262	5,560	5,709	6,104
49 Godalming Bank	6,322	4,547	4,800	4,770	4,745
50 Guildford Bank.....	14,524	10,026	10,215	10,027	9,930
51 Grantham Bank—Hardy and Co.,	30,372	23,447	23,826	22,327	22,530
52 Hull & Kingston-upon-Hull Bank	19,979	17,974	19,894	18,940	20,250
53 Huntingdon Town & County Bank	56,591	30,817	31,295	30,738	30,991
54 Harwich Bank	5,778	5,035	5,101	5,153	4,280
55 Hertfordshire, Hitchin Bank	38,764	33,282	33,572	32,851	32,232
56 Ipswich Bank.....	21,901	17,526	18,011	37,774	17,472

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		July 1.	July 8.	July 15.	July 22.
	£	£	£	£	£
57 Ipswich & Needham Market Bank	80,699	51,616	52,062	51,758	51,419
58 Kentish Bank—Mercer & Co. ...	19,895	12,151	12,874	13,509	12,519
59 Kingston and Radnorshire Bank...	26,050	18,167	17,257	17,622	17,451
60 Knarborough Old Bank	21,825	19,810	19,833	18,951	18,597
61 Kendal Bank	44,663	39,081	38,870	38,211	35,846
62 Longton Staffordshire Bank	5,624	5,038	5,295	5,213	5,202
63 Leeds Bank	53,357	51,034	55,348	54,520	51,894
64 Leeds Union Bank	37,459	36,853	37,492	37,461	37,166
65 Leicester Bank	32,322	23,680	23,004	22,503	21,239
66 Lewes Old Bank	44,836	26,973	31,106	31,163	26,842
67 Lincoln Bank	100,342	81,447	81,651	83,462	83,000
68 Llandoverly Bank & Llandilo Bank	32,945	18,555	17,869	18,545	16,449
69 Loughborough Bank	7,359	7,014	7,170	6,905	6,245
70 Lynton Bank	5,038	2,210	2,443	2,596	2,244
71 Lynn Regis and Lincolnshire Bank	42,817	28,093	28,268	28,688	29,379
72 Lynn Regis and Norfolk Bank ...	13,917	12,181	11,705	11,445	11,155
73 Macclesfield Bank	15,760	11,029	11,567	12,104	12,592
74 Manningtree Bank	7,692	5,130	5,375	5,447	5,400
75 Merionethshire Bank	10,906	7,426	7,012	6,441	5,324
76 Miners' Bank	18,688	18,904	20,040	18,493	17,757
77 Monmouthshire Agricultural and Commercial Bank	29,335	26,950	28,226	27,520	27,407
78 Monmouth Old Bank	16,385	5,120	4,889	4,901	4,857
79 Newark Bank	28,788	20,200	20,857	20,452	20,001
80 Newark and Sleaford Bank	51,615	41,023	43,322	41,640	40,973
81 Newbury Bank	36,787	13,877	14,388	14,437	14,444
82 Newmarket Bank	23,098	16,118	17,925	17,268	16,577
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	45,993	46,871	46,926	45,358
84 Norwich and Norfolk Bank	105,519	77,384	76,870	75,266	72,644
85 Nottingham & Nottinghamsh. Bk.	10,866	7,998	8,669	8,573	9,255
86 Naval Bank, Plymouth	27,321	19,570	21,402	22,816	22,657
87 New Sarum Bk.—Pinckneys, Bros.	15,659	6,280	6,369	6,514	6,363
88 Nottingham Bank	31,047	20,459	20,948	21,313	21,351
89 Oswestry Bank	18,471	11,527	11,609	13,116	13,340
90 Oxford Old Bank	34,391	35,417	35,919	32,883	33,055
91 Old Bank, Tonbridge	13,183	9,005	9,735	9,381	9,275
92 Oxfordshire Witney Bank	11,852	8,820	9,070	8,794	8,204
93 Pease's Old Bank, Hull	48,807	44,276	44,379	43,927	45,120
94 Penzance Bank	11,405	8,919	9,629	8,670	8,271
95 Pembrokeshire Bank	12,910	9,786	9,973	10,090	8,839
96 Reading Bank—Simonds & Co....	37,519	25,639	25,872	25,715	25,677
97 Reading Bk.—Stephens, Blandy & Co.	43,271	25,346	26,165	26,134	26,059
98 Richmond Bank, Yorkshire	6,889	6,107	5,783	5,633	6,116
99 Rochdale Bank	5,590	1,805	1,884	1,747	1,660
100 Royston Bank	16,393	9,860	10,000	10,164	9,735
101 Rugby Bank	17,250	8,883	8,795	8,660	8,989
102 Rye Bank	29,864	10,015	9,709	10,645	10,963
103 Saffron Walden & North Essex Bk.	47,646	19,792	19,339	20,025	19,000
104 Salop Bank	22,338	9,365	9,771	9,521	8,750
105 Scarborough Old Bank	24,813	20,604	21,525	21,310	21,455
106 Shrewsbury Old Bank	43,191	34,752	35,912	35,757	34,722
107 Sittingbourne and Milton Bank...	4,789	3,249	3,411	3,246	3,105
108 Southampton Town & County Bk.	18,589	8,574	9,657	9,261	8,885
109 Southwell Bank	14,744	8,099	8,413	8,550	8,780
110 Southampton and Hampshire Bk.	6,770	2,025	2,260	2,271	2,180
111 Stafford Old Bank	14,166	10,271	10,808	10,527	11,521
112 Stamford and Rutland Bank	31,858	15,107	15,818	15,349	14,689
113 Shrewsbury and Welsh Pool Bank	25,336	21,332	20,910	19,874	21,305
114 Taunton Bank	29,799	19,769	19,939	20,179	19,761
115 Tavistock Bank	13,421	8,595	8,818	9,510	10,004

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		July 1.	July 8.	July 15.	July 22.
	£	£	£	£	£
116 Thornbury Bank	10,026	8,214	7,908	7,416	7,574
117 Tiverton and Devonshire Bank ...	13,470	9,968	10,135	9,945	9,975
118 Thrapstone and Kettering Bank...	11,559	10,671	10,901	11,005	11,267
119 Tring Bank and Chesham Bank..	13,531	12,695	13,404	13,191	13,299
120 Towcester Old Bank	10,801	5,761	5,714	5,695	5,875
121 Union Bank, Cornwall	17,003	14,676	13,820	12,669	13,263
122 Uxbridge Old Bank	25,136	8,005	8,000	8,028	8,140
123 Wallingford Bank	17,064	5,166	5,627	5,591	5,840
124 Warwick and Warwickshire Bank	30,504	16,419	16,578	17,185	17,335
125 Wellington Bank, Somerset	6,528	4,136	4,240	4,753	4,969
126 West Riding Bank	46,158	37,826	37,940	37,132	37,781
127 Whitby Old Bank	14,258	13,330	14,275	13,982	13,850
128 Winchester, Alresford & Alton Bk.	25,892	11,683	11,925	11,184	11,270
129 Weymouth Old Bank	16,461	13,284	14,325	14,283	17,954
130 Wirksworth and Derbyshire Bk.	37,602	35,238	35,950	35,893	35,636
131 Wisbeach and Lincolnshire Bank	59,713	37,312	36,375	35,177	33,324
132 Wiveliscombe Bank	7,602	3,457	3,466	3,661	3,381
133 Worcester Old Bank	87,448	43,974	45,946	45,991	46,303
134 Wolverham. Bk.—R. & W. Fryer	11,867	8,199	7,924	8,000	8,186
135 Yarmouth and Suffolk Bank	53,060	36,472	35,755	36,431	36,610
136 Yarmouth, Norfolk, & Suffolk Bk.	13,229	7,292	7,834	7,927	8,173
137 York Bank	46,387	35,184	35,539	35,529	33,481

JOINT STOCK BANKS.

1 Bank of Westmorland	12,225	11,099	10,985	11,124	10,425
2 Barnsley Banking Company	9,563	46,685	9,520	9,522	9,265
3 Bradford Banking Company	49,292	8,642	46,546	46,885	47,239
4 Elston District Banking Company	9,416	8,820	9,654	9,537	9,041
5 Bank of Whitehaven	32,681	27,841	29,233	29,739	28,844
6 Bradford Commercial Banking Co.	20,084	19,827	20,076	20,393	19,880
7 Burton, Uttoxeter, and Staffordshire Union Banking Co.	60,701	44,539	44,804	42,875	39,565
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,309	10,790	10,316	9,557
9 Cumberland Union Banking Co....	35,395	30,137	31,572	32,520	32,249
10 Coventry and Warwickshire Bk. Co.	28,734	13,651	14,277	15,663	16,050
11 Coventry Union Banking Company	16,251	11,549	12,878	11,850	10,786
12 County of Gloucester Banking Co.	144,352	93,692	97,994	98,930	100,712
13 Carlisle & Cumberland Banking Co.	25,610	26,410	26,310	25,315	24,375
14 Carlisle City and District Bank ...	19,972	19,281	20,161	19,758	19,436
15 Dudley & West Bromwich Bk. Co.	37,696	25,374	26,854	27,469	26,928
16 Derby and Derbyshire Banking Co.	20,093	18,152	17,990	17,929	17,260
17 Darlington Dist. Joint Stock Bk. Co.	26,134	27,459	26,120	23,671	21,820
18 Gloucestershire Banking Company	155,920	135,272	139,548	135,325	137,216
19 Halifax Joint Stock Bank	18,534	16,028	16,520	16,758	17,384
20 Huddersfield Banking Company...	37,354	34,201	32,420	34,260	35,105
21 Hull Banking Company	29,333	28,505	30,360	29,614	26,382
22 Halifax Commercial Banking Co....	13,733	13,462	13,373	13,106	12,598
23 Halifax & Huddersfield Union Bk.	44,137	33,180	33,095	34,770	39,250
24 Helston Banking Company	1,503	1,500	1,494	1,480	1,519
25 Knaresborough and Claro Bk. Co.	28,059	27,841	26,744	25,370	25,110
26 Lancaster Banking Company	64,311	54,809	55,009	55,243	53,465
27 Leicestershire Banking Company...	86,060	54,858	53,501	51,410	51,075
28 Lincoln and Lindsey Banking Co.	51,620	49,400	51,216	48,562	48,113
29 Leamington Priors and Warwick- shire Banking Co.	13,875	8,859	9,217	8,887	8,042
30 Ludlow and Tenbury Bank	10,215	9,483	8,605	9,161	8,798
31 Moore & Robinson's Notts. Bank...	35,813	28,519	30,099	28,999	29,760
32 Nottingham and Notts. Banking Co.	29,477	24,582	25,792	24,629	24,292
33 National Provincial Bk. of England	442,371	412,754	417,274	421,495	422,065
34 North Wilts Banking Company ...	63,939	39,061	39,662	49,945	42,520

NAME OF BANK.	Author- ised Issue.	AVERAGE AMOUNT.			
		July 1.	July 8.	July 15.	July 22
	£	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	58,813	61,185	60,988	60,517
36 Northamptonshire Banking Co. ...	26,401	20,903	21,405	20,255	19,832
37 North and South Wales Bank.....	63,951	58,985	58,469	58,047	56,620
38 Pars's Leicestershire Banking Co...	59,300	50,920	52,885	52,259	51,900
39 Saddleworth Banking Company ...	8,122	335	335	335	335
40 Sheffield Banking Company.....	35,843	36,893	36,926	35,238	33,635
41 Stamford, Spalding & Boston Bk. Co.	55,721	47,330	46,859	42,516	41,560
42 Stuckey's Banking Company	356,976	284,693	289,675	288,064	288,680
43 Shropshire Banking Company.....	47,951	27,394	39,396	38,446	39,065
44 Stourbridge and Kidderminster Bk.	56,830	47,804	49,630	50,920	50,040
45 Sheffield and Hallamshire Bank ...	23,524	24,727	23,385	22,060	22,515
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	52,378	54,664	51,086	51,233
47 Swaledale and Wensleydale Bank...	54,372	49,008	48,055	47,882	46,903
48 Wolverhampton & Staffordsh. Bk...	35,378	21,135	21,760	25,791	25,260
49 Wakefield and Barnsley Union Bk.	14,604	14,476	14,338	14,356	14,065
50 Whitehaven Joint Stock Bank ...	31,916	23,428	22,835	22,374	22,474
51 Warwick and Leamington Bk. Co.	37,124	23,866	24,374	24,598	23,923
52 West of Eng. & S. Wales District Bk.	83,535	78,047	80,434	82,203	79,171
53 Wilts & Dorset Banking Company	76,162	67,791	69,820	71,243	74,150
54 West Riding Union Banking Co....	34,029	33,224	34,750	33,714	33,260
55 Whitchurch and Ellesmere Bk. Co.	7,475	4,529	4,475	4,467	4,105
56 Worcester City and County Bk. Co.	6,848	6,144	5,920	5,880	4,905
57 York Union Banking Company ...	71,240	69,679	70,605	70,595	70,471
58 York City and County Banking Co.	94,695	92,262	89,747	87,825	86,335
59 Yorkshire Banking Company	122,532	118,546	120,500	120,721	122,350

Irish and Scotch Circulation Returns.

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 24th day of June, 1865.

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during Four Weeks ending as above.			Average Am. held by the Bank during the four weeks ending as above.
		£s and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland	3,738,428	1,590,725	980,725	2,571,450	542,105
Provincial Bank of Ireland	927,667	380,861	449,598	830,459	403,215
Belfast Bank	281,611	124,395	285,543	409,938	218,814
Northern Bank	243,440	102,654	234,714	337,368	175,600
Ulster Bank.....	311,079	156,059	271,138	427,197	162,500
The National Bank.....	852,269	604,576	537,419	1,142,015	572,400
TOTALS (Irish Banks) ...	6,354,494	2,959,270	2,759,157	5,718,427	2,070,440

SCOTCH BANKS.

Bank of Scotland	300,485	169,560	327,419	496,979	282,000
Royal Bank of Scotland ...	216,451	210,168	342,491	552,659	416,400
British Linen Company	438,024	176,345	321,505	497,850	250,100
Commercial Bk. of Scotland	374,880	189,973	360,223	550,196	274,200
National Bank of Scotland..	297,024	164,106	309,560	474,066	251,700
Union Bank of Scotland ...	454,346	199,289	381,835	581,124	224,000
Aberdeen Town and Co. Bk.	70,133	61,902	80,499	142,401	50,000
North of Scotland Bk. Co...	154,319	104,582	117,148	221,731	60,000
Clydesdale Banking Co. ...	274,321	132,829	236,817	369,645	140,000
City of Glasgow Bank	72,921	127,993	220,968	348,061	111,000
Caledonian Banking Co.	53,434	24,656	48,778	73,434	44,000
Central Bank of Scotland...	42,933	24,131	38,560	60,601	28,000
TOTALS (Scotch Banks)...	2,749,271	1,585,534	2,766,203	4,371,737	2,400,000

SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	July 1.	July 8.	July 15.	July 22.
7 Private Banks	£4,189,151	£2,859,192	£2,912,170	£2,890,344	£2,866,667
9 Joint-Stock Banks ...	3,226,257	2,738,491	2,782,170	2,765,853	2,750,135
5 Totals.....	7,415,408	5,597,683	5,694,340	5,656,197	5,616,802

Large Weekly Circulation of these Banks for month ending July 22nd:—

Private Banks	£23,882,093
Joint-Stock Banks	2,769,183

Large Weekly Circulation of Private and Joint-Stock Banks ending as above

For a comparison of the above with the Returns for the month ending June 24th last, it shows:—

Decrease in the notes of Private Banks, of... ..

Decrease in the notes of Joint-Stock Banks, of... ..

Total decrease on the month

£214,679

12,074

£23,805

And as compared with the month ending July 23rd, 1864, it shows:—

A decrease in the notes of Private Banks, of... ..

A decrease in the notes of Joint-Stock Banks, of... ..

Total decrease, as compared with the same period of last year

The following is the comparative state of the circulation as regards the fixed issues:—

The Private Banks are below their fixed issues

The Joint-Stock Banks are below their fixed issues

Total below their fixed issues

£364,019

£1,307,058

467,095

£1,774,183

SUMMARY OF IRISH & SCOTCH RETURNS TO JULY 22, 1865.

Summary of Returns of Circulation of the Irish and Scotch Banks for the four weeks ending July 22nd, 1865, when added together, give the following as average weekly circulation of these Banks during the past month, viz.:

Large Circulation of the Irish Banks £5,718,427

Large Circulation of the Scotch Banks £3,711,737

Average Circulation of these banks for the past month

£10,090,164

On comparing these amounts with the Returns for the month ending 24th June last, they show:—

Decrease in the Circulation of Irish Banks £43,781

Decrease in the Circulation of Scotch Banks 186,989

Total decrease on the month

£229,750

And as compared with the month ending July 23rd, 1864, they show:—

Decrease in the Circulation of Irish Banks £372,992

Decrease in the Circulation of Scotch Banks £121,255

Total increase on the year

£401,247

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue... ..

12 Banks in Scotland, allowed to issue... ..

18 Banks in all, allowed to issue

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are below their fixed issue

Scotch Banks are above their fixed issue

Total above the fixed issue

£966,399

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks £2,078,443

Gold and Silver held by the Scotch Banks 2,408,292

Total of Gold and Silver Coin.....

Being an increase of £2,042 on the part of the Irish Banks, and a decrease of £32,457 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

£4,486,735

£2,042

£32,457

£4,454,283

CIRCULATION OF THE UNITED KINGDOM TO JULY 22, 1865.

The following is the state of the Note Circulation of the United Kingdom for the month ending 22nd July, 1865:—

Circulation of Notes for the Month ending 22nd July, as compared with the previous month:—

	June 24.	July 22.	Increase.	Decrease.
Bank of England (month ending July 19)	£20,877,112	£21,983,547	£1,106,435	—
Private Banks	2,896,772	2,882,083	—	£14,679
Joint-Stock Banks	2,747,088	2,739,182	12,074	—
Bank of England.....	26,520,972	27,634,802	1,123,509	14,679
Private Banks.....	4,567,706	4,371,737	—	185,969
Joint-Stock Banks.....	5,762,208	5,718,427	—	43,781
United Kingdom.....	£36,840,886	£37,724,966	1,123,509	244,420

The comparison of the month ending July 23rd, 1864, with the month ending July 22nd, 1865, shows an increase in the Bank of England circulation of £658,137, a decrease in Private Banks of £14,679, and a decrease in Joint-Stock Banks of £138,083; being a total increase in England of £505,375, and in Scotland there is an increase of £121,255; and in Ireland an increase of £372,992. Thus being that the month ending 22nd July, as compared with the same period last year, presents an increase of £204,118 in England, and an increase of £788,365 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending July 10th, gives an amount in both departments of £15,774,689. On a comparison of this with the Return for the month ending June 21st, there appears to be a decrease of £235,232; and an increase of £2,021,366 compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 22nd July was £4,486,735; being a decrease of £80,415 as compared with the Return of the previous month, and an increase of £258,984 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from 29th July to 29th August, 1865, inclusive.

	29	31	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	21	22	23	24	25	26	27	28	29
Bank Stock, 5½ per cent. last half-year	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248	248
3 per Cent. Reduced Annuities	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
5 per Cent. Consols	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Ditto ditto for account Aug. 8	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Ditto ditto Sept. 7	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
New 3 per Cent. ... Jan. 1864	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
New 3½ per Cent. ... Jan. 1864	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
New 5 per Cent. ... Jan. 1864	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Annuitants for 30 years ... Jan. 1864	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Ditto 30 years ... April 1868	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
Ditto (Red Sea Telegraph) ... Aug. 1868	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90	90
India Stock, 10½ per cent. April, 1870	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto 6 " " July, 1870	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto 4 " " Oct., 1868	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto Embroid Paper, 4 per cent.	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto ditto 5 " "	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto ditto 5½ " "	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto Loan Debentures, 1864	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto ditto	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto Bonds £1,000 (div. 5 per cent.)	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto under £1,000	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Exchange Bills £1,000, 3 & 3½ per cent.	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto ditto £200	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104
Ditto ditto £100 & 200 "	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104	104

FOREIGN STOCKS.—(August 26th, 1865.)

	COMPANY.	Paid up	Prices	COMPANY.	Paid up	Prices	COMPANY.	Paid up	Prices
Brazilian Bonds, 5 per Cent.	104	104	104	London & South-West.	100	100	London & South-West.	100	100
Brazilian 4½ per Cent.	80	80	80	London Chatham & Dover	100	100	London Chatham & Dover	100	100
Buenos Ayres 5 per Cent.	87	87	87	Manchester & Sheffield	100	100	Manchester & Sheffield	100	100
Chilian 4½ per Cent.	103	103	103	Midland	100	100	Midland	100	100
Chilian 4½ per Cent.	79	79	79	North British	100	100	North British	100	100
Mexican 3 per Cent.	254	254	254	North Staffordshire	100	100	North Staffordshire	100	100
Peruvian 3 per Cent.	704	704	704	South Devon	100	100	South Devon	100	100
Portuguese Bonds 3 per Cent.	474	474	474	South-Eastern & Harwich	100	100	South-Eastern & Harwich	100	100
Portuguese Bonds 1852, 5 per Cent. in	59	59	59	York & North Midland	100	100	York & North Midland	100	100
Ditto 4½ per Cent.	54	54	54						

The closing prices of the day are quoted.

THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

OCTOBER, 1865.

THE NEW LAW OF PARTNERSHIP.

IN our August number, we expressed our doubts concerning some of the provisions contained in the new act to amend the law of partnership. We stated that our chief objection was the element of uncertainty which the new measure will introduce into transactions with such private firms as may avail themselves of the facilities it gives for the admission of dormant or annuitant partners. The statute specifies certain acts which shall not *of themselves*, make the persons doing them responsible as partners in the undertaking. These acts are the advance of money on a contract to receive a share of the profits, or a rate of interest varying with the profits; the acceptance of a share of profits as remuneration, by a servant or agent; the receipt of annuity by the widow or child of a deceased partner, or by the vendor of a business who takes a portion of profits in payment for good will.

We offer no apology for thus speedily recurring to a subject so important. Nor need we, after our repeated expressions of approval of the principle of limiting the risks of joint-stock shareholders, assure our readers that we are by no means unwilling to see it adopted by private firms. What we complain of is the uncertainty in which creditors will be left by the new law. A working man of business, who is known not to have sufficient capital for the trade he is doing, every day gets credit, because Solidsides is known to have a share in the concern, or because the Golden Dustman has come in as sleeping partner, or because Sir Peter Plutus's buxom young widow is known to draw quite a handsome income out of the profits of the firm of which her

late husband was for so many years the head. Hitherto, these excellent and wealthy people have been the creditor's trust, and the trader's stay, but now, when anything goes wrong, it may come out that they have been wise in their generation, and that by a secret back-stairs arrangement they have limited their risk to a certain sum agreed upon between the working member of the firm and themselves. There will of course be some cases in which the creditors will have no right to complain of the loss in which they are thus involved. But there will be many others in which, with greater or less justice, they will be able to protest that they have been deceived all along, and that they would never have parted with their goods or their money, had they not supposed they had all the estate of the more opulent partners to fall back upon. This will naturally lead to a number of attempts to show that the "limited," or as we may henceforth call them, the protected partners, have done something to forfeit their statutory protection, and what is or is not an act sufficient to entail this consequence will be contested at *nisi prius*, argued *in banco*, discussed in the Exchequer Chamber, and finally, after an indefinite amount of anxiety, uncertainty, and expense, decided in whole or in part by an appeal to the House of Lords. And after this little game has gone on long enough, Parliament will begin to think of a remedy for the evil, and will enact at last, as it ought to have done at first, that every co-partnership on the new basis, shall have the word "limited" at the end of its title, and shall be compelled to register the names and shares of every one interested, the proportion of profit he draws, and the amount of protected capital which he has invested.

We have no hope, however, that the legislature will show any undignified haste in supplying its own omissions. As the evils which Lord Tenterden's Act, and the Mercantile Law Amendment Act, were designed to cure, had subsisted, greatly to the advantage of the learned and long-robed profession, for years after any attempt to defend them had been given up, so will the crop of legal difficulties which the new law may be expected to mature, remain unsolved until some great and peculiarly hard case shall satisfy future Melbournes that the matter can no longer be safely let alone. The question whether the protected partners have done any act to forfeit their protection, will sometimes be one of law for the judge, but will far more frequently be one of fact for the jury, whose decision will vary with their sympathies and their prejudices, so as to add yet another element of confusion, to the glorious uncertainty of the law. *Misera est servitus ubi jus est aut vagum aut incertum*, is a maxim

of which, we doubt not, we shall be pretty frequently reminded in connection with this subject. The protected partners may sometimes, in legal phrase, estop themselves from setting up the limitation of their risk, by some unmistakable act, as by joining in a deed, a bill, or other security. As regards the parties to such instruments, these acts will be conclusive to fix the ability of those who might otherwise claim exemption. And other acts may have the same effect as against all the world, as if they allowed their names to appear as partners; if they are in the habit of buying, selling, or otherwise acting in such a way as to induce a general belief that they are members of an ordinary co-partnership, for here the judicial rule clearly is, that "if a person by a course of conduct, or by actual expressions, so acts that another may reasonably infer the existence of an ordinary partnership, whether the party intend it so or not, the party so acting cannot afterwards gainsay the reasonable inference to be drawn from his words and conduct."

We must not, however, expect that the courts will often have to deal with these clear and conclusive cases. They will have to draw fine distinctions, to split hairs, to lay down scarcely perceptible dividing lines. They will also be governed in great measure, by the analogy of cases already decided, and therefore we shall rapidly glance at some of the tests which have been held to prove partnership in former days. The doctrine of the leading case of *Waugh v. Carver*, in which it was long held that the gist of our partnership law was contained, may now be regarded as abrogated by statute, at least so far as those protected partnerships are concerned. It was laid down in a very celebrated judgment, that he who takes profits must, *ex necessitate rei*, be made liable to the losses. For many years however, the courts leaned in favour of restricting the application of this rule, and at length in *Wheatcroft v. Hickman*, a most elaborate judgment was given in the House of Peers to the effect that the true test of partnership liability is whether the persons by whom the business was carried on were the agents of those it was sought to make liable and authorised to pledge their credit. The defendants in that case were trustees of a firm in difficulties appointed to carry on the business, and to apply the profits, if any, in reduction of the debts owing to themselves and the rest of the creditors. In the course of their trusteeship, they ordered goods of the plaintiffs, who knew the capacity in which they were acting. The trading proved unprofitable, and the plaintiffs sought to make the trustees liable as partners, because as they contended, they were to benefit by the payment of their debts, and therefore, on the principle of

Wagh v. Carver, they were liable as partners in the concern. But, as already stated, the attempt failed on the ground above mentioned. Following this decision was one in which the payment of a certain salary and 10 per cent. on the profits was held insufficient to fix the partnership liability.

The first essential of a partnership appears to be a communion of participation of profits and loss arising both from purchase and sale. Hence, in a transaction for purchasing oil by three persons jointly, they were held not to be partners, because they were not interested in the future sale. On this principle, after the railway mania, sundry exceptionally lucky provisional committee-men escaped liability on contracts entered into by their coadjutors without their knowledge or consent, though the question in such a case as to whether the defendant held himself out as responsible for the debts incurred is always one for the jury. The same may be said as to the effect of the defendant's declarations respecting the nature of his interest in a concern, which he may have made on 'Change, or in the course of business, or even in ordinary conversation, though the presumption is necessarily very much weaker in this last case than in the two former.

Persons have been held partners by such acts as these: When a company had been formed to work a mine with a capital of £30,000, and only £20,000 being subscribed, the defendant took an active part in appointing a director to continue the scheme with the smaller amount. This was held evidence of his having authorised the board to go on with the smaller amount. In the same way a member of a building society was fixed as partner in an action for building certain houses whose erection had been resolved upon at a meeting at which he was present and approving. So when two merchants joined in certain consignments, and agreed that all commission on such business should be equally divided, this made them partners *quoad hoc*.

Attempts by a protected partner to bind the firm by acts *ultra vires*, may show that he has ceased to rely on his protection. As, if he submits a dispute in which the partnership is interested to arbitration, or, contrary to stipulation, draws bills on behalf of the partnership, these acts, though invalid as against the firm, may be sufficient to prove that he regarded himself, and wished the world to regard him, as a partner in the ordinary sense of the term. And the same would happen if he purchased goods in the name of the partnership, and, in fraud of his partner, converted them at once to his own use. Here, though the innocent partner would be liable to the vendee, the guilty one would probably be held no longer within the statutory exemption. The same result might follow if any protected partner.

other than a servant or agent remunerated by part of the profits, were to busy himself in collecting debts, or otherwise asserting an authority over the assets of the concern ; and acts subsequent to a particular contract may make such persons liable, as if they were to accept a bill or otherwise assume unrestricted partnership liability, for their condition would be different from that of partners newly admitted, who have, on the plea of no consideration, successfully resisted actions on bills which they had accepted for antecedent debts of the firm. In fine, we may say that the only safe course for a dormant protected partner will be to refrain from taking any active part whatever in the management of the concern, if he would enjoy the privilege which the legislature has given him of reaping many of the advantages and escaping some of the most onerous responsibilities of ordinary traders. But with agents remunerated by a portion of the profits, this reticence will, of course, be impossible, and in connection with them some of the chief difficulties of the new statute are likely to arise. Whether the evils we anticipate speedily become intolerable, will greatly depend upon the spirit in which our judges deal with the questions that may arise under the Act, but only a very sanguine man will hope to find that the beneficial working of the measure under notice has not been largely impeded by neglect of a very simple and obvious provision—a provision, be it observed, which has already been tried, and which is in actual and extensive operation in a class of transactions closely analogous to those of a private co-partnership.

COMMERCIAL INFLUENCES OF THE AMERICAN WAR.

THE American war being ended, it will be useful to consider its influences on the great branches of American commerce, that hereafter we may be better able to predict the business consequences of any great European struggle in which we, or others, may engage. When the war began, and indeed, generally throughout its continuance, it was regarded from two distinct points of view on this side of the Atlantic. There were those who judged of the probabilities of the case ; and there were those who took their stand on past experience. In some cases it might be said that probability and experience were combined, but they were exceptional : public writers and others, in the main, ranging themselves either on the side of theory or example. One of the most frequently quoted instances was France, when Law seduced our neighbours into extravagances and delirium. Mr. Chase's banking project was the conversion

of the General Bank into the Royal Bank ; the petroleum and contracts, his Indian Company, and Mississippi ; and Wall Street the veritable Rue Quincampoix. The blackness of darkness was said to be before him. As long, it was urged, as the sea is smooth, the tiniest bark may float upon its bosom, but when the tempest blows, the staunchest ship strains and creaks, and skilful seamanship alone saves it from destruction. Mr. Chase was a heretic, occupied in the stupid work of piling faggots for his own sacrifice ; of driving stakes for his own pinioning, that when the advancing tide touched high water mark, all would be over with him. And, it was continued, what else could be looked for from America : all economic wisdom being supposed to dwell at Birmingham or in Manchester ? On the other hand, the gentlemen of theory, those who never saw America, or if they ever saw it, knew so little of its strong national feeling, of its dogged resolution, and withal of its sturdy honesty, at bottom, that ghosts and goblins were constantly before them, looked forward to counter revolutions, anarchy, uprisings of the blacks, and with the triumph of the Confederate arms an instant repudiation of the unsound and unstatesman-like expedients of the United States treasury. According to those gentlemen, things had been done which ought not to have been done ; and of all sins, financial sins, they said, carry with them the surest punishment. What would happen when General Lee crossed the Potomac a conqueror ? The rotten fabric of shoddy rearing would tumble down, and the shock would be felt across the length and breadth of Europe.

If, however, it is the case that few if any Englishmen were sufficiently comprehensive in their views of the American war, it is not less true that the Americans were few and far between who saw their way through the haze of greenbacks, certificates of indebtedness, bonds bearing various rates of interest, and available for different purposes. Indeed it is true that several intelligent Americans, officially, semi-officially, and otherwise, found their way to England for information, and carried back with them to New York and Washington, all the standard treatises on currency and banking, and as many 1812 and later pamphlets as the second-hand booksellers could lay hands upon. Nor is it to be overlooked that so utterly at sea were the Americans, that the last appointment to the treasury turned on the names of the nominees, as if the accident of name might confer virtue ; as if a second M'Culloch were to be formed at the mere will of President Johnson. The circumstances were unusual, unprecedented, perplexing ; and the requirements staggering. The greatest conflict that history records, or that ever

may occur again, was in progress literally deluging the earth with blood, and demanding sacrifices of life and treasure which no doubt, would not have been made at all, could their extent by any chance have been ascertained before. So alike on both sides of the Atlantic men's judgments failed them; either because the sagacity or the faculty was wanting, to deal with a problem of greater breadth and depth than ever had been previously submitted to human reason. Fortunately for the interests of the commercial world, it has turned out that the resources of the United States have proved equal to the occasion, and that the policy of small expedients suggested by common sense has not been so much astray as to create confusion. The war is ended, and the atmosphere of commerce has regained much of its usual quiet. No great panic or revulsion has followed its eventful close, and with the exercise of common prudence none is likely to arise.

A very good general apprehension of the commercial influences of the war may be gathered from a few well-ascertained figures, accompanied by such matter-of-fact remarks as the figures may require. At the following dates gold stood at certain premiums, and certain sixteen commodities presented certain market values at those dates. What then was the fluctuation in gold, and what the fluctuation in the sixteen commodities? The figures are:—

	Gold Premium.	16 Articles.	Rise per cent.
March, 1862	... 1½	\$241.30	—
March, 1863	... 54	383.55	60
March, 1864	... 59	546.56	130
Dec., 1864	... 1.25	709.19	194

Here, then, is not a very rapid advance in gold, and not a very rapid advance in the market value of sixteen articles; for we are told, on the authority of Mr. Senator Woodbury, secretary of the treasury, that during the first American revolutionary war the depreciation of notes, and of course the appreciation of gold and commodities, was in the following rates:—

March 1, 1778	1 dollar in coin =	\$1.75 in paper.
Sept. 1, 1778	1 dollar in coin =	4.00 in paper.
March 1, 1779	1 dollar in coin =	10.00 in paper.
Sept. 1, 1779	1 dollar in coin =	18.00 in paper.
March 18, 1780	1 dollar in coin =	40.00 in paper.
Dec. 1, 1780	1 dollar in coin =	100.00 in paper.
May 1, 1781	1 dollar in coin =	500.00 in paper.
	1 dollar in coin =	1,000.00 in paper.

From March, 1862, to December, 1864, and from March, 1778, to May, 1781, are much the same intervals, and yet the gold premium in the first case was as \$1.25—in other words \$2.25 in notes had to be paid for \$1 in coin; while in the

second case \$1,000 in notes was the equivalent of \$1 in coin. The difference is the measure of the relative intensity of the monetary disturbance at the two periods. In 1781 the North American colonists were in the condition of the Confederates a year and a half ago; the currency worthless, regular business at an end, and the army kept in the field by forced supplies. On the other hand, in December, 1864, the Americans proper were in easy circumstances, actually charging more for everything they sold—their labour included—than they had any right to do; for the figures quoted show that while gold had advanced 125 per cent., the aggregate of sixteen commodities shows an advance of no less than 194 per cent., a superfluous advance of 69 per cent. No doubt some one pays the piper: but who pays him? Not the tens of thousands of labourers, mechanics, and others who have been enabled to commence business, to engage in market gardening, or to become farmers. Not the farmers who have had the means of increasing their acreage, and adding to their flocks and herds. Not the brokers, bankers, contractors, and capitalists, endless numbers of whom have accumulated substantial fortunes. The sufferer is the nation in its collective sense, and the measure of its suffering is the debt contracted in its name. That debt there is no use repudiating, and its burden will fall, like our debt, on future generations. Thus, in a certain sense, the war may be even said to have done some good; inasmuch as it has enabled many to climb to social eminence, independence, and comfort, who, without it, would have been struggling as before. The sixteen commodities and their prices, to which reference has been made, are the following:—

	March, 1862.	March, 1863.
Cordage Minilla.....	\$9.00 to \$10.00	\$18.00 to 18.50
Indigo	1.25 to 2.50	2.00 to 2.85
Coffee, Rio, 100 lbs.	17.25 to 19.50	30.50 to 34.00
India Rubber .....	.48 to .50	.85 to .87
Gummy cloth, 100 yards.....	11.00 to 11.50	16.00 to 16.75
Hides, Rio, 100 lbs.	21.00 to 21.50	30.00 to 31.00
Plaster of Paris	1.50 to 1.75	3.60 to 3.75
Leather, out, mid.	27.00 to 30.00	40.00 to 42.00
Mahogany	35.00 to 45.00	45.00 to 55.00
Molasses, 20 gallons .....	.50 to .55	.45 to .40
Silk, raw	5.00 to 5.50	10.00 to 10.57
Cassia, 100 lbs.	31.00 to 32.50	45.00 to 46.00
Gin	26.00 to 27.00	55.00 to 56.00
Sugar, Cuba, 100 lbs.....	6.87 to 8.75	9.25 to 11.50
Tin, Banca	30.00 to 32.00	56.00 to 58.00
Spelter	5.50 to 5.70	9.00 to 9.37
	<u>\$228.35 to 254.25</u>	<u>\$370.55 to 396.56</u>

	March, 1864.	December, 1864.
Cordage, Minilla	\$19.00 to 20.00	\$24.00 to 25.00
Indigo	1.60 to 2.50	2.60 to 3.00
Coffee, Rio, 100 lbs.	36.00 to 37.50	44.00 to 48.00
India Rubber .....	.83 to .85	1.16 to 1.20
Gummy cloth, 100 yards	15.50 to 15.75	20.50 to 21.00
Hides, Rio, 100 lbs.	29.50 to 30.00	31.00 to 32.00
Plaster of Paris	3.25 to 3.50	4.50 to 4.80
Leather, out, mid.	45.00 to 47.00	49.00 to 52.00
Mahogany	100.00 to 150.00	75.00 to 110.00
Molasses, 20 gallons .....	.70 to .80	1.10 to 1.27
Silk, raw	9.50 to 9.75	14.00 to 15.00
Cassia, 100 lbs.	62.50 to 65.00	100.00 to 105.05
Gin	103.00 to 110.00	210.00 to 215.00
Sugar, Cuba, 100 lbs.....	12.25 to 14.75	16.25 to 22.25
Tin, Banca	56.00 to 57.00	70.00 to 72.00
Spelter	12.50 to 13.00	15.00 to 15.50
	<u>\$516.13 to 577.00</u>	<u>\$679.11 to 739.27</u>

From March, 1864, until December, 1864, when the premium on gold was 59 per cent., and the premium on the sixteen commodities 130 per cent., the actual crisis of the war is covered; for in the words of a well-known American writer, "The uncertainties that attend the election, the publication of the annual reports, the assembling of Congress, the new projects for increasing the taxes, and their probable influence upon the value of and the demand for goods, together with the anxieties in relation to military operations and their possible influence, in combination with the treasury measures for raising money upon the value of goods have all tended to paralyze enterprise the more so as a new draft for 300,000 men was announced towards the close of December." No wonder that such an extraordinary complication advanced gold from 59 per cent. to 125 per cent., and commodities from 130 per cent. to 194 per cent. It is a curious circumstance, that the advances did not more readily suggest this, That before we venture to predict the commercial influences of war, we should be well assured of the resources of the people and of the basis on which rest the expedients of the treasury and the shifts of the banks. Then we may theorise as we please, and fortify our theories with the experience of former times. Had our American information been such as it now is, men would have been spared committing themselves to the realisation of impossible and absurd prophecies.

(To be continued.)

THE CLEARING SYSTEM.

To the Editor of the "Bankers' Magazine."

SIR,—It will hardly have escaped the observation of readers of the "Bankers' Magazine," that banking extension in the Metropolis has, within the last few years, assumed a new character. Formerly, all the banks were clustered in and around Lombard street, or in the immediate neighbourhood of Temple Bar. Those outside this companionship might be reckoned on the fingers. It is obvious that by this arrangement vast numbers of persons whose business happened to lie at a distance from the "city of gold" were debarred from the advantages derived from keeping a banking account, and the banks thereby lost much sound and valuable business. This fact does not seem to have attracted the attention of the private bankers, or if it did, they did not care to act upon it; but, with the rise of the joint-stock system and consequent increase of competition amongst bankers, came a change of practice: the experiment was tried of bringing the bank to every man's door, and thereby creating a great deal of new business, of a different class, it is true, to the accounts of the old first-class merchants and traders, but still well worthy of the attention of bankers. How successful the experiment has been may be judged by the number of branches the joint-stock banks have established, in fact, it may now be said that scarcely a district of importance is without, at least, one bank. Bayswater and Limehouse, Kensington and Camden Town, Pimlico and St. John's Wood, have all their branch banks; and within the last year or two some eight or ten have been opened at the West End of London, there being now nearly forty separate offices west of Temple Bar.

There can be no difference of opinion as to the advantages the public derive from the extension of the area of banking accommodation. The banker also reaps considerable benefit from new accounts from which he was formerly shut out by reason of distance. To the old banks however, this extension can hardly be said to be a boon; not only are they subjected to the competition of the new establishments, but they have entailed upon them additional labour and expense in the performance of the very important duties of collection &c. It is to the system, or rather want of system, in the collection of cheques and bills on non-clearing bankers that I wish to call the attention of the banking community, with a view to the initiation of some method to supersede the present antiquated, clumsy, and dilatory plan.

It seems most extraordinary that seeing the admirable way in which the clearing house has worked in the City, in economising both labour and time, the West End bankers should have remained contented so long without an attempt to extend its benefits to themselves, but still allow two or three dozen clerks simultaneously to traverse the same ground to do business that might be just as efficiently transacted by a fourth of the number. Doubtless there are difficulties in

the way of starting a fresh system, but what reform worthy of the name was ever carried where there were none to overcome? I for one cannot believe the West End bankers are averse to improvement, but think that if a feasible plan were laid before them, they would be ready to give it a fair consideration.

It would be well nigh impossible to obtain at the West End, over so much more extended an area, the rapidity and precision of the City clearing house, still that can be no reason for declining to amend the present most unsatisfactory system. Concentration is the thing required, and this may be had in two ways, either by the adoption of a central place of exchange, where one or more clerks from each bank should attend, or by a scheme propounded by Mr. Jarvis, and discussed in this magazine a few months since. He proposes that the collection should be made as at present at the counters of the different banks, but that instead of each banker clearing his own cheques they should be remitted to a common centre, and collected by one individual on behalf of all. The simplicity and economy of this plan strike one at once, and if a comparison between it and the present system be instituted it appears to great advantage. Mr. Jarvis would include in his collection all bills payable at private houses, post-office orders, and drafts on those nondescript people, army and navy agents; bills for acceptance would also be taken charge of.

It is said that Mr. Jarvis finds an obstacle to the working of his scheme in the practice of receiving credits up to four o'clock, and that if the public would submit to a regulation by which half-past three should be the latest time for "paying in," his scheme would be facilitated. It would, I think, be difficult to induce the public to accede to this arrangement, but supposing that point conceded, I must confess that it does not appear to me that Mr. Jarvis's plan would be thereby assisted, as I do not understand that it is his wish to supersede the clearing-house, but to engraft his own ideas thereupon. Under any circumstances the City banks could collect no more than they do now, and of course the West End banks must retain all their charge till the morning.

Whilst fully admitting the merits of this scheme of Mr. Jarvis, and recognizing the benefits, it would confer on the banking community, I am of opinion that an extension of the clearing-house system to the West End would facilitate business to a greater extent, inasmuch as it would be perfectly practicable to have the draft on those bankers who joined, cleared twice in the day.

Again, the establishment of a West End clearing house would relieve the banks of the necessity of keeping a large reserve of notes, which would then be released to meet the ordinary requirements of trade, of itself no small advantage when the amount thus uselessly held is taken into consideration, as it cannot at the lowest estimate amount to less than half a million. The profit would not, however, be reaped by the bankers, but by the community generally; as the bankers would not reduce their reserves materially, the form of those

reserves only would be altered : they would keep fewer notes, but it would be necessary to have an account with some West End bank by whom the balances could be adjusted. The benefits the bankers would derive would be the economy of time and labour ; consequently increased efficiency. I venture to offer the following suggestions for the consideration of the banking community :—

I propose that a clearing house should be established at some convenient spot westward of Temple Bar (Charing Cross would be suitable) to be conducted on similar principles to that in the City. That the City clearing bankers should present all drafts on West End bankers through a member of the West End clearing house ; West End bankers on the other hand should present their City charges through a City clearing banker.

That the day's clearing should embrace the receipt from noon to noon, and be divided into morning and afternoon clearing.

That the clearing house open at 10 o'clock, and the morning clearing close at 12 : this would include the receipt of the previous day after 12, and all returns from the previous afternoon's charge.

That the afternoon's clearing commence at 2 o'clock, and close at 3 ; this would include the receipt of the day up to 12 o'clock, and the returns from the morning's charge.

That the adjustment of the balances of the clearing be effected through the medium of the western branch of the Bank of England, and that the members of the clearing house should keep accounts with the branch for that purpose.

That when the balances between the respective bankers and the clearing house shall have been agreed, the clearing clerk shall make out and sign a credit or debit ticket to adjust the same ; this shall be countersigned by the superintendent, who will afterwards forward it to the Bank of England, and also send a certificate of the amount so debited or credited to each bank.

Some arrangement of this description would be necessary owing to the distances between the banks, unless it was agreed that the settlement should be one clearing in arrear, a system obviously open to very serious objection.

These suggestions are not offered under the impression that the plan proposed is perfect, I think, however, that valuable results would follow its adoption. It is time that the whole army of collecting clerks could not be dispensed with, but their numbers might be greatly reduced. The counters of the different banks would be relieved of the crowds that besiege them during the early part of the day, causing vexatious delays to customers, and consequent loss of temper.

The large reserve of bank notes now held by the various West End establishments to meet the demands of other banks would be rendered unnecessary, lastly the business of collection would be conducted more expeditiously for the customer, and economically for the banker ; a twofold advantage surely worth making the attempt to attain.

I have ventured to trouble you with these remarks on a subject the present position of which has long been an admitted evil, in the earnest hope of inducing some of the many talented men in the banking world to take it up in a really practical manner; if it is my fortune to have my plan criticised by any of your readers, I shall consider that a step has been gained by the ventilation of the question.

I am, Sir,

Your obedient Servant,

J. D. F.

London, August, 1865.

BANKING AND FINANCIAL ANECDOTES.

No. XL.

A BANKER'S CLERK AND HIS SALARY.

A BANKER'S CLERK, well known among his fellow clerks for his parsimonious habits, and whose salary was only eighty pounds a-year, was informed by one of the partners in the bank that the "house" (the title partners in a banking firm usually adopted) intended to raise his salary ten pounds. The clerk appeared somewhat surprised at this announcement, and replied, "I think it unnecessary, sir; I do not spend more than thirty pounds of what I now receive, and this addition will only tend to increase my anxiety and trouble." The banker, being quite unused to such an announcement, asked the clerk a few questions as to his mode of living, when he replied, "I usually breakfast in the street; and as to my dinner, I buy a penny loaf; and as you have an excellent pump at the end of the street, I have a drink of pure water; I have no tea or supper, and only indulge in a meat dinner on Sundays." This reply had the effect of hardening the heart of the banker, so that when any of his other clerks applied for an addition to their salary, he would relate this anecdote as an excuse for declining to accede to the request. The clerks very soon found means to rid the establishment of such an enemy to good living, exclaiming—

"Dost thou think because thou art virtuous
There shall be no more cakes and ale?"

SINGULAR TRIAL FOR FORGING BANK NOTES.

DURING the twenty-five years the Bank of England issued one-pound notes, the number of persons who were tried, convicted, and sentenced to death for forgery exceeded 500, besides 1,200 who were transported "for having forged notes in their possession, knowing them to be forged." Several of the trials were remarkable for the ingenuity displayed both by the counsel engaged for the prisoners, and also the prisoners themselves, in their endeavours to obtain an acquittal. One was the case of a man who had very peculiar notions respecting the nature of the offence with which he was charged, and for which he was found guilty. When asked by the judge whether he had anything to say why sentence of death should not be passed upon him, he replied as follows:—"My lord, I am indicted for issuing bank notes knowing them to be false and fraudulent; but I should like to know what difference there is between the offence, if it is an offence, with which I am charged, and that which 'the old lady' is daily committing: for she promises to pay what she never intends to pay, or ever can pay, for she invariably exchanges one promise to pay for another promise to pay." (At the time the bank did not pay its notes, but simply exchanged them for other notes.) "The learned counsel for the bank, who, no doubt, has been well paid, told the jury that I was instigated by the devil. This I deny; but even if I was my case would not be blacker, for if the 'old lady' is allowed to issue millions of false promises, why should not the old gentleman!" Here, the account states, there was a burst of laughter in the court, even the gravity of the judge was for a moment disturbed. He desired the officers to take into custody the offending parties; but this order was not so easy to execute, for the infection spread throughout the whole court, even the very officers appointed to keep order in the court could not refrain from laughing; but as laughing, like crying, must come to an end, the judge judged it best to let the laugh go round. When order was restored, and the prisoner was about to resume his address, the judge stopped him, saying, "We do not sit here to try the old lady to whom you allude, but to ascertain whether you have been guilty of felony. The jury have declared that you are guilty, and it is my painful duty to pass upon you that sentence from which I can offer you no hope of pardon," &c., &c. This may, and doubtless does appear very shocking, but in those days of "good old George III. of blessed memory," every Monday morning, during the sessions,

brought with it its death-bell, and Jack Ketch, whose profession was so profitable that no one ever thought of allowing him a fixed salary, was present.

THE BILL DISCOUNTER OUTWITTED.

ONE Sunday evening, in the summer, a celebrated bill broker was taking a walk near the seaside with his daughter, when they came to a gentleman's seat, the grounds round which were adorned with very beautiful flowers ; and, on stopping to admire the flowers, the lord of the domain, happening to be near the gate, and hearing the young lady express her admiration, invited the gentleman to view the grounds ; he also showed him his horses and carriages, then took him into the house and set before him wine and biscuits. On the gentleman's departure he exchanged cards with his hospitable host, each being pleased one with the other. It never occurred to the money-lender that all this show of wealth might be assumed for an object ; however, it was so, the party having, the previous week, by false pretensions, got temporary possession of the estate (which was to be sold with all the appurtenances) was determined to make the most of his present position. Consequently, on the following day he went to town and drove up to the door of the bill broker, and, having obtained an interview, he, with the greatest possible coolness, said he had come to town to pay for an adjoining estate, the purchase-money for which he found was £250 more than he had brought with him — would he kindly lend him his cheque for that amount in exchange for one of a like amount on his banker in the country ? The bill broker was for a moment disconcerted ; but on reflecting on the apparent splendour of the country establishment, and that his carriage was at the door, he, without further hesitation and with many courteous expressions of pleasure at an opportunity of obliging the gentleman, made the exchange of cheques ; the latter, with many thanks and apologies for the novelty of the request, drove off to the bank, received the money, then off home with his booty, being highly pleased with himself for having outwitted the money-lender. We need hardly say the cheque was returned "not sufficient ;" this unexpected result much surprised the bill broker, who of course wrote to the drawer, apprising him of the return of his cheque, who replied stating he would be in town in a day or two and would call and repay the loan with thanks, adding, "The return of the cheque was a blunder of the

bank clerk, who has been severely reprimanded for the error." But he never did call, but on the contrary, after victimising nearly all the tradespeople in the neighbourhood, he took French leave of his splendid establishment, carrying with him every portable article of value, and was never seen more.

BANKING IN JERSEY.

A FEW weeks ago, an English mechanic, having been engaged in perfecting some machinery in Jersey, on the completion of the job was paid the amount of his bill, £20, in £1 notes of the Bank of —, and being desirous of returning to England, and knowing that the Jersey notes would be useless out of the island, went to the bank to get the notes changed for gold. On presenting them to the bank and requesting he might be furnished with twenty sovereigns, the clerk in attendance seemed struck with the novelty of the request, and after some hesitation confessed "that he had not so much gold in the bank," adding, "but I will tell you what I can do for you. I will give you twenty notes on the Commercial Bank in exchange, which you can present at that bank and obtain gold for them." Our informant, who vouches for the truth of the above, then applied to the Commercial Bank and obtained the needful.

Most of us remember the story of the Killarney banker, who was also a saddler, and who, on being asked for cash for some of his promissory notes, answered, "Cash, your honour, what is that? Is it anything in the leather line?" This unsophisticated answer is not surpassed by that of the Jersey banker.

Banking in Jersey must be conducted on principles peculiarly local and entirely of a novel character, for it appears by the Jersey Almanack for 1865, that almost all the parishes in the island are banks of issue, a list of the parish banks is given, and the places where their promissory notes are made payable; but our readers will be somewhat surprised to learn that several of the parish banks do not state where their notes are to be paid; for instance, the parish of St. Brides issue notes "payable nowhere." The Trinity parish bank notes are also stated to be "payable nowhere." This can be verified on reference to the Jersey Almanack, from whence we have extracted the above information.

In our simplicity we thought it was necessary to state in the body of a promissory note where it is to be paid; but our Jersey fellow-

subjects take a very different view of such promises to pay, by unreservedly stating they are "payable nowhere." We should think such notes cannot have a very wide circulation, possibly not out of the parish; but the whole system appears to be a burlesque on the issue of paper money.

HOARDING OF GUINEAS.

AN old Irish woman went into a bank at Tipperary and asked the manager to give her Irish notes for ten golden guineas, which she said she had brought upwards of twenty miles to get changed, that she had hid the ten guineas up the chimney, and that they had remained there for forty years, that they had been placed there by her on the birth of her only daughter, that she had kept the secret up to this time, intending them as a marriage portion for her child, and as her daughter was to be married on the following morning she must, she said, return with the money, as no one in the village would take the gold. The banker told the old woman that he had no means of weighing the guineas and as some of them appeared much worn, if he gave her the full amount it must be at a risk of loss. After some parleying the old woman consented to receive ten pounds in bank notes with which she trotted off with great glee. Now, if she had put the ten pounds in the savings bank and kept it there all the time it would, with interest and compound interest, have accumulated to a much larger amount: as it was she considered it an important marriage portion. After the old woman had left the bank with the ten one-pound notes, a singular circumstance took place with respect to one of the guineas, which proved to be a William and Mary guinea of the year 1693, in capital preservation. A young Irish gentleman, a genuine Orangeman, offered the bank a five pound note for the guinea, which having obtained, he said, "I will bore a hole in it and wear it round my neck on the 12th of next July, in honour of the "immortal memory."

REMARKABLE CASE OF GENEROSITY AND DISINTERESTEDNESS.

A MAN of the name of Marsh, a furniture dealer in Dublin, in the course of many years made an immense fortune, and having, in the early part of his career met with many kindnesses from Mr. —, a

celebrated pawnbroker in Dublin, and with whom he had always been on terms of friendship, was desirous of showing, by some generous act, his gratitude for past favours, but being remarkably fond of money he was a long time making up his mind how to effect his object. At last he came to the determination to do for the pawnbroker what would doubtless be considered an act of unsurpassed generosity. Accordingly he called upon Mr. —, and informed him that he was going to the Bank of Ireland to make a transfer of some stock, and wished his friend to accompany him. Mr. —, having on many previous occasions gone to the bank with him, was not surprised at the request and therefore consented to do so. When they arrived at the Bank of Ireland, Mr. Marsh, who was a man well-known there, addressed the clerk as follows, "I am desirous, sir, of showing my gratitude to this gentleman" (turning to Mr. —) "for many kind services he has rendered to me for many years past, by making him some return for such kindnesses; I therefore request that you will make out the necessary papers for the transfer from my name to that of Mr. — one hundred thousand pounds, which is just one-half of the stock standing in my name in the books of the Governor and Company of the Bank of Ireland." Both the clerk and the pawnbroker, particularly the latter, heard with amazement this announcement. However, after very little discussion on the subject, the transfer was made; and on leaving the bank Mr. Marsh was poorer than when he entered it by one hundred thousand pounds, whilst the pawnbroker was the richer by that amount.

About ten days after the above transaction took place, Mr. Marsh called on the pawnbroker and informed him that he had been very unhappy in his mind since he had made the transfer of the stock. that he had not had a wink of sleep, would he therefore go with him to the bank and re-transfer the amount into his name? The pawnbroker readily accompanied him, and without the slightest hesitation re-transferred one hundred thousand pounds from his own name to that of Mr. Marsh, and on this occasion leaving the pawnbroker poorer by £100,000 than when he entered it. Now, let us see how this generous and disinterested act on the part of the pawnbroker was rewarded. Just twelve months after the events just recorded took place, Mr. Marsh died, leaving the whole of his stock, amounting to £200,000, to the pawnbroker, in consideration of kindnesses received and the unselfish disposition displayed on the occasion of the transfer of the stock.

THE NEW BRAZILIAN LOAN OF £5,000,000.

THE prospectus of a new Brazilian loan of £5,000,000 was issued on the 10th September by Messrs. Rothschild and Sons, the financial agents of the government, and is as follows :—

“ Imperial Brazilian 5 per cent. loan of 1865, for £5,000,000 sterling.

“ His Majesty the Emperor of Brazil having by decree, under date of the 6th July, 1865, authorised a loan of £5,000,000 sterling, in conformity with the law No. 1,244, of 26th June, 1865, and with the law No. 1,245, of 28th June, 1865.

“ Messrs. N. M. Rothschild and Sons, financial agents of the Imperial government, have to announce that they are ready to receive at their office subscriptions for this loan.

“ It will be emitted in bonds to bearer for £100, £500, and £1,000 each, carrying interest at 5 per cent. per annum, with coupons payable half-yearly in London or at Amsterdam, at the exchange of eleven guilders eighty cents per pound sterling; the first half-year's dividend being due on 1st March, 1866.

“ The bonds are to be issued for thirty-seven years, and will be redeemed by a sinking fund of £1 per cent. per annum, together with the interest on all bonds paid off, operating half-yearly in drawing by lot at par.

“ The first drawing to take place in March, 1867. The price of emission is £74 for every £100 stock, payable as follows :

	5 per cent. on application.
10	“ on allotment.
10	“ on 3rd November, 1865.
10	“ on 25th January, 1866.
10	“ on 23rd March, 1866.
10	“ on 23rd May, 1866.
10	“ on 24th July, 1866.
9	“ on 25th September, 1866.

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“ The failure to pay the whole of these instalments forfeits all previous payments.

“ To subscribers who prefer payment by anticipation of the above periods a discount of 5 per cent. will be allowed.

“ Applications for this loan must be accompanied with a deposit of 5 per cent. on the amount applied for. In case the allotment should not require the whole deposit, the surplus will be returned; if it be insufficient for the first instalment on the amount allotted, the balance required must be paid forthwith.

“ Scrip will be issued, which will be exchanged for the bonds after payment of the last instalment.

“ Applications will be received until Tuesday evening, the 19th instant.

“ New Court, St. Swithin's Lane, Sept. 14, 1865.”

Reports of Joint-Stock Banks.

BOMBAY BROKERS' LOAN, DISCOUNT, AND BANKING COMPANY.

AN ordinary general meeting of the shareholders of the Brokers' Loan and Discount Company was held at the office of the company on the 24th July, to receive the report of the directors and a statement of the affairs of the company for the half-year ending June 30th, and also to elect directors. Cowasjee Nanabhoy, Esq., Chairman. The manager, after reading the notice convening the meeting and the proceedings of the last extraordinary general meeting, read the following report of the directors:—

"In accordance with clause 75 of the articles of association, the directors have the pleasure of meeting the shareholders with a view of submitting the report of the state of the affairs of this company for the half-year ending 30th June, 1865. As for the state of the affairs, the directors beg to refer the shareholders to the auditors' report, and in order to prevent erroneous impressions that may be entertained by any of the shareholders, from the remark made by the auditor, "that the securities have also been examined and found in order, with exception of a small portion," the directors have to state by way of explanation that they did not and do not think proper to have the shares of some of the institutions transferred to the name of this company, as by so doing it becomes a party liable to the debt of any such institutions in which shares are registered into the name of this company or its affairs: they trust this explanation will be quite sufficient to the shareholders. The directors regret to state that from the present bad times they estimate that the loss to this company would be about 4 lacs of rupees; but, of course, such loss would be reduced to a great extent when the securities improve from the present depressed state. Your directors are glad to say that notwithstanding the resolution passed at the extraordinary general meeting held on the 8th March last, they have not entered into any time-bargains, and also they have not lent any money on any financial or reclamation companies' shares, but they have mostly lent money on the shares of this bank and of chartered banks, and also on the shares of the banks with limited liabilities, and on landed property, and also on shares of presses and spinning companies, &c., &c. The directors have to state that the greater portion of the loss is attributable to the sums lent to Burjorjee Sorabjee Lywalla (late a director and now insolvent) on the securities of the shares in the Bank of Bombay and other banks. The directors have also to point out to the shareholders that the balance-sheet of the company, with the auditors' report thereon, shows that the net profit for the past half-year is Rs. 87,070-3-5, inclusive of Rs. 25,517-8-1, as outstanding interest on the overdue bills up to 30th June, 1865. The directors have to state that clause 76 provides that a printed copy of the balance-sheet shall seven days previously to the meeting be furnished to every shareholder, but the directors regret to say that owing to the unavoidable delay on the part of the auditors in auditing the accounts, they have not been able to comply with its requisition. The directors have to state that some time ago three of the directors, Messrs. C. G. de Souza, Burjorjee Sorabjee Lywalla, and Ruttonjee Runchoredass, became insolvents, and consequently they are disqualified, and there now remain Messrs. Cowasjee Nanabhoy, Luck-

Bombay Brokers' Loan, Discount, and Banking Co. 1193

midoss Dharsey, and Munjee Nursey, of whom the two former now retire, but are re-eligible. The directors are willing to give any explanation any of the shareholders may ask for. In conclusion, the directors would recommend the meeting not to declare any dividend until the amount of loss is provided for."

Balance-sheet for half-year ending 30th June, 1865.

LIABILITIES.					
Paid-up capital	...	...	...	...	1,900,600 0 0
Current Deposits	...	...	...	...	327,199 8 1
Fixed deposit	...	...	...	...	5,192 0 0
Dividend (unclaimed)	...	...	...	...	1,590 0 0
Second dividend (unclaimed)	...	...	...	...	5,539 8 0
Mrs. A. Dumayne	...	...	...	...	440 0 0
Reserve fund	...	...	...	...	6,218 6 11
Profit and Loss	...	...	...	...	87,070 3 5
					<hr/> 2,423,849 10 5 <hr/>
ASSETS.					
Union Bank of London	...	...	...	...	112,874 12 8
Balances in local banks	...	...	...	...	360,865 2 7
Dead stock	...	...	...	...	2,636 11 4
Local bills discounted	...	...	...	...	1,719,818 9 1
Loans receivable...	...	...	...	...	86,218 15 0
Stamps on hand	...	...	...	...	59 9 5
Duty on goods hypothecated with this bank	...	...	...	...	525 10 0
Freight do. do.	...	...	...	...	112 8 7
Bank of Bombay shares account	...	...	...	...	55,000 0 0
Brokers' loan, discount, and banking shares account	...	...	...	...	42,000 0 0
Adjusting account	...	...	...	...	19,226 6 8
Cash on hand	...	...	...	...	24,511 5 1
					<hr/> 2,423,849 10 5 <hr/>

Statement of Profit and Loss.

Dr.					
Sundry expenses, charges, &c.	...	...	...	...	21,886 10 1
Premium and discount account	...	...	...	...	54,194 8 0
Balance	...	...	...	...	87,070 3 5
					<hr/> 163,151 5 6 <hr/>
Cr.					
Amount of earnings during the half-year ending 30th June, 1865	...	...	...	...	163,151 5 6
					<hr/> 163,151 5 6 <hr/>

July 1st, 1865. By balance brought forward Rs. 87,070-3-5.

It was then proposed by Pestonjee Burjorjee, Esq., and seconded by Dorabjee Cursetjee Colah, Esq.,—"That the proceedings of the last extraordinary general meeting now read be confirmed."—Carried unanimously.

Proposed by Pestonjee Burjorjee, Esq., and seconded by Dorabjee Cursetjee Colah, Esq.,—"That the directors' report, the balance-sheet, and auditors' report now read be adopted."—Carried unanimously.

Proposed by Dorabjee Curesetjee Colah, Esq., and seconded by Pestonjee Burjorjee, Esq.,—"That Messrs. Cooverjee Nanabhoy and Luxmedass Dharsey be re-elected as directors."—Carried unanimously.

Proposed by Pestonjee Burjorjee, Esq., and seconded by Dhunjeebhoy Jamsetjee Jussawalla, Esq.,—"That Messrs. A. G. de Ga, Rustomjee Burjorjee Mody, Dorabjee Framjee Panday, and Sorabjee Pallonjee Meherjee be appointed as directors in the room of those disqualified."—Carried unanimously.

Proposed by Pestonjee Burjorjee, Esq., and seconded by Dhunjeebhoy Jamsetjee Jussawalla, Esq.,—"That the thanks of this meeting is due to Mr. Ardaseer Bomanjee, the manager, for his conduct in the discharge of his duty, and also thanks to the existing directors, Messrs. Cowasjee Nanabhoy, Luxmidass Dharsey, and Munjee Nursey, for their management."—Carried unanimously.

The meeting then terminated.

BANK OF AUSTRALASIA.

THE half-yearly meeting of the shareholders of this company was held at the bank premises, Threadneedle Street, on the 28th July—Mr. E. Hamilton, M.P., in the chair.

The following was the report of the directors :—

"In conformity with the practice which has now been established some years, the directors have invited the attendance of the shareholders for the purpose of declaring a dividend, and of informing them that in the interval that has elapsed since their last report the progress of the bank has been steady and satisfactory. It must be borne in mind that within the last few years the number of local banks in the Australian colonies has greatly increased, and that banking operations there are now carried on in the face of active competition in all quarters. The position of the bank is, however, fully maintained, and there is every reason to look confidently to the future. The business in New Zealand is becoming important, and the result for the half-year ending in April last is as good as was anticipated. The seat of government having been transferred from Auckland to Wellington it has become necessary to open a branch at the latter place, for which the sanction of the court has been already given. The dividend and bonus will be payable on the 17th of October next, and will be at the rate of 14 per cent. per annum, free of income tax, that is to say £2.16s. on each old share and £2.2s. on each new share. Henceforward the old and new share, will stand on the same footing in regard to dividend and bonus, and all distinction between them will cease."

The Chairman, in moving that the report be adopted, observed that the business to be transacted was of so formal a character that he almost regretted that they were bound by precedent to invite the attendance of the shareholders on that occasion. The only definite matter before them was the announcement of the dividend at the rate of 14 per cent. per annum, or 7 per cent. for the half-year. He much wished that the profits realized had enabled them to make a better return, but with all deference to those who formed over sanguine expectations he thought the dividend was a satisfactory one, especially when they considered the recent extension of their capital by the issue of new shares without the usual loading of a high premium. The directors could not take credit or discredit for issuing the shares at par, as they were required to do so by the deed of settlement

Some might suppose that the directors were not good stewards in giving to the shareholders in this way £200,000; but, as he had said, they had no option. The colonial management, they would admit, had done well in enabling them to declare a dividend at the rate of 7 per cent. for the half-year upon their £1,125,000 of capital, and which would absorb the large sum of £78,750. The accounts from the colonies continued to be favourable. It was true that business was represented as dull, but that was in comparison with the standard of 1853, 1854, 1855, and 1856, which their zealous officers on the other side would be glad to see maintained. Their own business had not diminished; on the contrary, it had in some respects improved. All their advances were protected by good security, and from some that were at the last meeting a source of anxiety, they had escaped with less loss than they then anticipated. The superintendent was satisfied with the progress of business at New Zealand. The bank had taken deep root there, and they had every confidence that before long all the branches there would be productive of profit. The necessity of opening a branch at Wellington had arisen from the provision in the charter which directed that all notes issued by any of the branch banks should be payable at the seat of government as well as at the branch by which they were issued; they had, however, no reason to regret the change. Wellington was the capital of the first settlement made by the New Zealand Company, and being near Cook's Straits, which separated the northern from the southern islands, was more central and more available for business than Auckland. The reports from Australia were also favourable.

Mr. Holme seconded the motion.

In reply to a shareholder the Chairman stated that the bank allowed interest on deposits for fixed periods, but not on current accounts.

The motion was agreed to, and a vote of thanks to the chairman concluded the proceedings.

BOMBAY PRESIDENCY BANK, LIMITED.

THE second ordinary general meeting of the shareholders of this bank was held at the bank's office on the 31st July; Mr. Pestonjee Nowrojee Pochajee, in the chair.

The manager read the minutes of the last meeting which were confirmed, and afterwards read the advertisement convening the meeting for the following purposes:—1st. To receive the report of the directors, and the balance-sheet to 30th June, 1865, and to transact such business as shall in the said report be presented to the meeting. 2nd. To elect two directors, in the room of Messrs. A. C. Gumpert and Nowrojee Ardaseer Dauver, resigned. 3rd. To elect auditors for the ensuing year. 4th. To amend the 30th article of association by adding the words "or August" after the word "July" in the said article. 5th. To amend the 37th article of association by striking out the said article, and by substituting in lieu thereof the following words: "Any meeting of which notice specifying the intention to propose such resolution shall have been duly given." 6th. To amend the 100th article of association by adding after the words "any calls that may have been made upon any share of such shareholders in the company," where the same occur in the said articles, the words following, that is to say: "or otherwise howsoever as a debt due to the company from him either alone or jointly with any other person or persons."

The following is the directors' report:—

"The directors, in meeting the shareholders for the second time, have to lay before them the balance-sheet of the bank on the 30th June last, duly audited. A third call of Rs. 50 per share was made payable on 22nd September last, and the accounts show that the sum of Rs. 62,300 remains unpaid of that call, and Rs. 24,900 of the second call. Notice to the effect that all shares on which the second and third calls have not been paid have been forfeited, has been duly given to registered shareholders. The directors do not at present contemplate making any further calls. A statement of the income and expenditure for eleven months to 30th June is laid before the meeting. The balance of profit and loss account, viz., Rs. 3,59,720-15-2 the directors propose to carry forward to the current half-year, and beg to express their regret that they cannot recommend the payment of a dividend at this time. Looking at the monetary crisis which has existed here for the last three months, it is not to be supposed that the bank will escape loss, but meanwhile the directors cannot estimate accurately the exact amount. The directors, however, may mention that although in some cases they might have forced the sale of shares held in security for advances, they thought it advisable not to do so in a depressed market, and are confident that consequently the bank is now in a much better position. Since the beginning of July the prices of good stock have much improved, and the directors venture to hope that the course they have adopted will ultimately prove to have been a prudent one. With the view of extending exchange business, the directors propose opening branches of the bank in Calcutta and London, and forming local committees in those places. The shareholders will observe in the balance-sheet an entry of Rs. 91,500 for 610 shares held for allotment to the committees. The directors had hoped ere this to have had the branches in operation, but the unlooked-for state of local affairs has for a time prevented the arrangements being carried out. The shareholders will have to elect two directors in room of Mr. A. C. Gumpert and Mr. Nowrojee Ardaseer Dauver, resigned. The shareholders will also have to elect two auditors for the ensuing year. The directors recommend that certain clauses of the articles of association be amended, viz.:—The 30th article of association by adding the words 'or August' after the 'July' in the said article. The 37th article of association by striking out the words 'such meeting' where they first occur in the said article, and by substituting in lieu thereof the following words:—'Any meeting of which notice specifying the intention to propose such resolution shall have been duly given.' The 100th article of association by adding after the words 'any calls that may have been made upon any shares of such shareholders in the Company' where the same occur in the said articles, the words following, that is to say: 'or otherwise howsoever as a debt due to the company from him either alone or jointly with any other person or persons.'"

Balance-sheet to 30th June, 1865.

LIABILITIES.

Capital Account—First call, 20,00,000 ; second call, 19,75,100 :			
third call, 19,37,700 ... ..	...	...	59,12,900 0 0
Deposits, bills of exchange, and other sums due by the bank	...	...	17,01,516 7 5
Adjusting account ... ..	...	...	17,667 11 11
Profit and loss account ... ..	...	...	3,59,720 15 2
Total Rupees...			<u>79,91,705 2 6</u>

ASSETS.				
Cash in hand and with bankers' ... ..	...	...	3,11,202	0 3
House property in Bombay ... ..	...	...	6,05,000	0 0
Government securities ... ..	...	...	3,94,772	8 0
Shares held on account of London and Calcutta committees ...	...	...	91,500	0 0
Local bills discounted, loans on securities, bills of exchange purchased, and other sums due to the bank ... ..	...	...	65,67,991	6 10
Dead stock, furniture, stamps, stationery, &c. ... ..	...	...	21,239	3 5
Total Rupees...			79,91,705	2 6

*Profit and Loss Account from 1st August, 1864, to 30th June, 1865.**Dr.*

Balance carried forward to profit and loss new account ...	...	3,59,720	15 2
Total Rupees...			3,59,720 15 2

Cr.

Net profits after deducting preliminary and current expenses, including salaries, directors' remuneration, interest paid and due on current and fixed deposit accounts, income tax, &c.	...	3,59,720	15 2
Total Rupees...			3,59,720 15 2

The Chairman then said—Gentlemen,—I have little to add to the report which has been read. The balance-sheet has been in your hands for the last week, and the directors are happy to think that it is more favourable than was at one time anticipated. After a careful valuation of our assets, I am able to say that the probable losses, although considerable, will not be so heavy as to interfere in any way with the working of the bank. I only ask you to continue that support and confidence in the directors which you have hitherto shown. Two of the directors having resigned, the board have the pleasure to recommend in their places Mr. Sapoorjee Ardaseer Panday and Mr. Rustomjee Framjee Metah. The names of Mr. A. Huson and Mr. J. L. Brodie will be submitted to the meeting as auditors for the next year.

The following resolutions were then submitted to the meeting and carried unanimously :—

Proposed by S. P. Framjee, Esq., seconded by Framjee Bomunjee Cama—"That the report of the directors and balance-sheet be adopted and printed for the information of the shareholders, and that a statement giving additional information be prepared, and be open for the inspection of any registered shareholder at any time in business hours from the 5th to the 15th August."

Proposed by Jehangeer Goostadjee, Esq., seconded by Manockjee Hormusjee—"That Mr. Sapoojee Ardaseer Panday and Mr. Rustomjee Framjee be elected directors of the bank."

Proposed by Limjee Jamsetjee, Esq., seconded by Cursetjee Sorabjee Wadia—"That Mr. Arthur Huson and Mr. J. L. Brodie be appointed auditors."

Proposed by Framjee Hormusjee Camasarywalla, Esq., seconded by Pestonjee Nowrojee Shroff, Esq.—"That 30th article of association be amended by adding the words 'or against' after the word 'July' in the said article."

Proposed by Jehangeer Goostadjee, Esq., seconded by Jehangeer Rus-

tomjee Mody—"That the 37th article of association be amended by striking out the words 'such meeting' where they first occur in said article, and by substituting in lieu thereof the following words: 'Any meeting of which notice specifying the intention to propose such resolution shall have been duly given.'"

Proposed by Framjee Bomanjee Cama, Esq., seconded by John Forth—"That the 100th article of association be amended by adding after the words 'any calls that may have been made upon any shares of such shareholder in the Company' where the same occur in the said article, the words following, that is to say: 'or otherwise howsoever as a debt due to the company from him, either alone or jointly with any other person or persons.'"

Mr. S. P. Framjee then proposed, and Mr. Merwanjee Ruttonjee Paruck seconded, a vote of thanks to the chairman for his able conduct in the chair, and the proceedings terminated.

BANK OF BOMBAY.

THE annual general meeting of the proprietors of the Bank of Bombay was held at its offices on the 7th August, to enable the directors to submit a statement of the affairs of the bank made up to the 30th June. Robert Hannay, Esq., chairman of the board of directors, presided. All the directors, except the Hon. Rustomjee Jamsetjee Jejeebhoy, together with a number of shareholders, were present.

The Chairman having read the advertisement calling the meeting, laid on the table the statement of accounts, and read the directors' report, as follows:—

"The directors have now to submit to the proprietors a statement of the affairs of the bank up to the 30th June last, showing a net profit of the half-year of Rs. 19,82,085-3-6, after providing for current expenses of establishment, interest on deposits, and deducting Rs. 22,836-9-2 for a loss incurred at one of the branches. From this statement it will readily be seen, that under usual circumstances the directors would not only have been enabled to have declared a liberal dividend, but also to have carried a handsome sum to credit of reserve. Looking, however, to the terrible crisis through which we have just passed (the most trying time perhaps for banks and commercial men ever seen in India), and considering the amount of liabilities current on 30th June, the directors have, after much anxious deliberation, resolved not to declare a dividend for the past half-year. This they have already intimated by circular to proprietors resident in Europe. The directors have much satisfaction in stating that since 30th June last the debts due to the bank have been very considerably reduced. Some time, however, must elapse before a reliable estimate can be made of the ultimate loss the bank will sustain through the failure of many of its unfortunate constituents. They trust, therefore, that the proprietors will approve of the course adopted by the directors in withholding a dividend for the past half-year. Taking a rather unfavourable view of liabilities current on 30th June last, the directors estimate that the losses will not exceed 30 lacs, but it is quite possible that the ultimate loss will be much less, so that there is every hope of shareholders receiving a fair dividend at the end of the current half-year. Since the last annual meeting of proprietors, new branches and sub-branches have

been opened as follows:—Branches at Ajmere and Jubbulpore; sub-branches at Ahmednuggur, Dholera, Secunderabad, and Wudwan. The directors have pleasure in reporting that the business at the branches is progressing favourably, although the government treasuries have not as yet been handed over. During the crisis, when for the first time in the history of Bombay, many hoondees were not paid at maturity, it was feared that the branches would prove a serious source of loss, but already the bulk of past due hoondees have been retired, and there is now no reason to doubt that the profits of the branches will considerably more than meet their losses. Calls on the new capital have been very promptly met; out of Rs. 1,04,50,000 of new capital, only Rs. 76,690-2 remained unpaid on the 30th June last. When this sum is paid the total capital of the bank will be Rs. 2,09,00,000. The directors have much pleasure in informing the proprietors, that in November last they effected a favourable sale of the premises occupied at present. The net amount expended on the building was Rs. 3,01,101-3-8, and the amount realised by the sale was Rs. 6,05,000, so that they were thus enabled to place a profit of Rs. 3,03,898-12-4 to the credit of 'Rest account.' The new and more commodious premises in the Elphinstone Circle are progressing favourably, and will probably be ready for occupation about 1st June next. A very erroneous impression having gone abroad relative to the extent of the bank's advances on shares, the directors have to state that after the rescinding of an old rule in April last, only about 35 lacs were loaned to constituents of the bank on the collateral security of shares. The bulk of the loans granted during the past year were, as was the custom of the bank, granted upon personal security only; and during the crisis when these loans became due, if constituents were unable to pay in full, the bank never hesitated to take what collateral security it could obtain. This, it is presumed, must have been the origin of the rumours as to enormous advances having been made upon shares. For the information of the proprietors, there are hereto appended copies of the auditors' report and the correspondence that passed between Government and the bank regarding a proposal made by the former that the bank should enter into."

Statement of Affairs on 30th June, 1865.

<i>Dr.</i>						<i>Rs.</i>
Proprietors' capital ...	..	..	...	...	...	104,50,000
Do. do. (new) ...	...	...	...	...	...	103,73,309
Bank notes and post bills in circulation at head office and branches	...	...	...	...	...	3,81,511
Deposit accounts and receipts, and all other liabilities	...	...	...	...	...	345,77,161
Reserve fund, including profit for the half-year	...	...	...	...	...	30,39,068
						<u>Rs. 588,21,049</u>

<i>Cr.</i>						
Loan and cash credit accounts on deposit of securities	...	...	...	...	...	166,03,536
Bills discounted	...	...	...	...	...	229,41,396
Dead stock...	...	...	...	...	...	6,68,153
Stamps	...	...	...	...	...	13,752
Balance with correspondents...	...	...	...	...	...	14,21,049
Do. branches	...	...	...	...	...	54,96,760
Cash and currency notes at head office	...	...	...	...	...	116,76,403
						<u>Rs. 588,21,049</u>

Statement of Profit and Loss account for the half-year ending 30th June, 1865.

<i>Dr.</i>						<i>Ra.</i>
Charges at head office	...	...	...	...	...	1,41,640
Do. at branches	...	...	...	...	...	1,91,053
Interest paid at H. O.	...	...	...	...	...	88,065
Do. do. at branches	...	...	...	...	...	53,815
Auditors' allowance ...	...	...	...	...	...	1,500
Stationery ...	...	...	...	...	...	8,041
Balance of profit and loss	...	...	...	...	...	19,82,065
						<u><u>Ra. 24,65,989</u></u>
<i>Cr.</i>						
Discount accounts head office and branches	...	...	...	...	...	10,90,015
Exchange account do.	...	...	...	...	...	4,90,513
Interest account do.	...	...	...	...	...	7,37,776
Commission account do.	...	...	...	...	...	1,47,655
						<u><u>Ra. 24,65,989</u></u>
<i>Dr.</i>						
Balance of Reserve fund at this date	...	...	...	...	...	30,39,066
						<u><u>Ra. 30,39,066</u></u>
<i>Cr.</i>						
Balance of reserve fund, 31st December, 1864	...	...	...	...	...	7,53,094
Profit on the sale of reserves presently occupied by the bank	...	...	...	...	...	3,03,899
Balance of profit and loss account for half-year ending 30th June, 1865	...	...	...	...	...	19,82,065
						<u><u>Ra. 30,39,066</u></u>

The Chairman, in addressing the meeting, said:—Gentlemen, in moving the adoption of the report, I will, with your leave, make a few remarks upon the management of the bank, before and during the very trying period through which we have just passed. No one present can regret the losses sustained by the bank more than the directors themselves. Most of them are large shareholders, so that you may be assured in every thing they did they considered they were acting in the interest of the proprietors. The past three months has probably been as trying a time here as ever any directors had to contend with. Few banks, and I believe very few individuals, have escaped heavy losses; and as the Bank of Bombay was the chief bank of discount, dealing with enormous sums of money, when Bombay and its inhabitants were supposed to be revelling in wealth, I believe that had it in 1864-65 been under the control of a Hodgson, a Bowring, or a Lord Overstone, it would have been impossible even for them to have avoided heavy losses occurring in the late time of unprecedented disaster. In what were termed the good old times, when the bank sailed under its old charter, Bombay was a very different place from what it is to-day. In those good old days the limit of personal security was 3 lacs, and very few firms or individuals required more up till say 1856. Discounts were then very trifling, for the greater part of the bank's funds were generally locked up in Government paper, and the bulk of the loans were at low rates on similar securities. The bank sailed easily on, doing very little good, but, it is true, no harm. When investments left a profit, a

or 8 per cent. dividend was paid, but when Government paper was dull, shareholders had frequently to be content with $5\frac{1}{2}$ per cent. During the first sixteen years, say from 1841 till 1856 inclusive, the annual average dividend was about $6\frac{1}{2}$ per cent. From 1857 till now (including this half-year without a dividend) the average has been $10\frac{1}{2}$ per cent., but taking 1863, 1864, 1865, the period during which the new charter has been in operation, the average dividend (still including this blank half-year) has been over $12\frac{1}{2}$ per cent., and this upon a greatly increased capital. From 1856 the commercial growth of Bombay has been rapid; greater facilities than the Bank of Bombay could give were required, and these were met chiefly by the yearly increasing exchange banks. Much for the benefit of shareholders, the system of investing in Government paper was given up, under the presidentship of Mr. Birch, one of the ablest financiers it has been my good fortune to meet in India. This gave the bank more power for good, but it was soon found that the capital was insufficient; also that the restrictions in the old charter were antiquated, and required revision. Whatever may be said, I consider that you had then sagacious men on the direction. The new Act was carefully considered at the council board and by special committees, and the result was the passing of it without restrictions as to amount, and with permission, when deemed admissible, to advance on shares in public companies. The result of this was an enormous increase of business, and handsome dividends to the shareholders, and although large sums were advanced on personal security, until within the past twelve months, the bank's only loss was Rs. 20,000. The directors had thus increased confidence in the profit and safety of large personal loans, and one of the native directors, who was on all sides considered the most sagacious man of his community—I allude to Mr. Cowasjee Jehangeer—proposed that the secretary and treasurer from his long experience should not only have full power to grant loans on his own judgment, but should also have a vote at board, and power of veto over the recommendations of directors. This was not agreed to, but greater latitude was given to the secretary, and in 1864, when Bombay was in the heyday of prosperity, loans were granted to the then considered good men, with a free hand. At this time it was again proposed to double the capital. Shareholders, the press, and the public applauded: the act was done. New shares were issued, and those who chose to sell had an opportunity of making profits equal to many years' dividends. Had the present state of matters been then foreseen, no doubt a handsome reserve would have been formed out of the new issue, but instead of this the greater part of another crore was loaned to the eager public. In the now altered state of things it may possibly ere long be found that the capital is too large. We now approach the time when the present directors had their work to do. In the early part of the year applications for discount and loans were enormous; with a view to check this the bank rate was raised week after week. The bulk of the money then given was lent to purchasers of produce, and, as we believed, few of the loans granted were for the purpose of local speculation. Soon after this came the collapse in cotton, and with it the collapse of Bombay. The management of the bank was then a matter of ceaseless anxiety to your directors, and for my own part I can say the cause of many a sleepless hour. Loans were scrutinised with the utmost care, and were granted only in cases where they appeared to be likely to be productive of general good. The times being so peculiar, after due consideration we thought that circumstances would warrant the relaxing of rules and the lending to constituents who had the bulk of their funds locked up in first class securities. It was too late. Shortly after, the great share collapse came like

a peal of thunder, and the rule was placed in abeyance after advances had been made to the extent of only about thirty-five lacs. Sir Charles Wood, in his budget speech, says :—"Somehow or other—I don't know how—the bankers of Bombay got the power in their charter of advancing money on speculative shares, and they used that power to a considerable extent. I wrote early in the year to Sir Bartle Frere, calling his attention to the necessity of looking after what they were doing; and whether in consequence of my letter or not I can't say, but the government directors went down to the bank, and on their representations it ceased to do that which it had been doing for some time, viz., advancing largely on these shares. It was very wrong ever to have advanced money in that way at all, upon a perfect unnegotiable security. Whatever rumours may have reached this country, I wish to state that the bankers in Bombay will in future go on in the ordinary way, and there need be no apprehension in the public mind on this subject." Here he must evidently have been misinformed. What he may have written to Sir Bartle Frere, we do not know; but you are now aware that we did not advance largely upon shares, and the statement about the government directors coming down is simply an illusion. After all you have heard and read outside, you may possibly be surprised when I tell you that out of the 35 lakhs advanced on shares, only from 6 to 7 lakhs of this was lent upon shares in the Bombay Reclamation Company; and even these advances were to men whose personal security any of you would have taken. Eight and a half lacs were advanced upon shares in the Elphinstone Land Company at a premium which I believe any of you will be most willing to give a month or two hence. The balance of the sum named was upon shares in chartered banks. Many of these loans are already paid up, and upon others additional security has been obtained. Our policy may have been wrong: it is easy to prophecy after an event; but at the time the cry of the public and the press was, "What is the Bank of Bombay about? With two and a half crores of cash, why should it not freely help the public?" My belief is that during the past four months the course pursued by the Bank of Bombay and one or two other establishments, has done much to lessen the severity of the crisis, as well as to prevent the general ruin of Bombay:—first by judicious and well-timed loans to institutions and to individuals; next by not pressing good constituents in the midst of panic. Had we adopted the latter course, what would have been the result? I leave you to picture it. Whatever may have been the mistakes (who will throw the first stone, and say he has not made one during the past year?) whatever the shortcomings, whatever the much-to-be-regretted disappointment to shareholders, I again maintain that we have done much to avert a general bankruptcy. Many of our constituents are aware of this, and I feel confident that the day is not far distant when our actions will receive juster and firmer criticism. Considering the amount of local business done, I have no hesitation in saying that the losses of the Bank of Bombay will be smaller in proportion to the amount of its transactions than those of almost any other institution in Bombay, although the bulk of our loans were granted upon personal security only. From accounts now before you it will be seen that the net profits are about twenty lacs for the half-year, making the total amount of rest nearly thirty lacs. This, in the opinion of the directors, will more than cover the losses on past due bills, and all business current on the 30th of June. If we are right, and there is no present reason to doubt it, I think you are to be congratulated on getting so well out of such a time of difficulty and disaster. For my own part I should be sorry to see any great alteration in your new charter; it has been found, in my humble opinion, to work

well, and past sore experience will I trust enable the directors in future to work under it with some hope of large profits to shareholders. During the past six months a bank doing local business must have lost heavily under any charter, and in these days were you to go back to the old charter it would be about equivalent to letting the bank die a natural death; nor would it be kept long in pain. I must not forget to mention the great moral support received by the bank in the late trying times, both from Sir Bartle Frere, and the Governor-General. I hope this bank may never require the aid of government; but it was a comfort to the directors in such a time of difficulty, to know that they would have the assistance of government in case of need, and knowing this they were enabled to give timely support in many quarters. I have much pleasure in stating that during the late trying time great unanimity has prevailed at our weekly meetings; each director has done his utmost for the benefit of the bank, and we have received great assistance and encouragement from the cordial co-operation of the government directors, Messrs. Lushington and Chapman. During the past ten or twelve years, I think I have known all the government directors—most of them I have known intimately,—and I hesitate not to say that no more upright and honourable men ever sat at any board. I feel convinced that the most hostile critic or inspector would fail to discover that they ever assisted in passing a single resolution, or in carrying out a single transaction, from a selfish motive. Sometimes they were thought to favour government a little too much, but this was all. Mr. Birch was a model director, and a man of business; he did much for your welfare, and I hope his portrait may long adorn the board room of your new building. Mr. A. D. Robertson has been much blamed with reference to the new charter; but if the truth were told I think it would be found that his brother directors considered him exceedingly obstructive, not only in objecting to some clauses now in the bill, but also to some others which possibly but for him might have been there. I will say a word about Mr. Premchund Roychund, of late, perhaps, the best abused man in the three Presidencies. He is said to have ruined the Bank of Bombay, being dictator and director-in-chief; but the bank is not ruined, gentlemen; and if you ask Mr. Premchund, he will tell you that many of his proposals have met with considerable opposition at the board. It is very true that many loans have been granted during the past year on his recommendation; but it is equally true that this has been the case for the past ten years; and until lately I do not think there was a bank manager in the place who was not eager for his advice; nor until lately, do I think there was one who lost a rupee by taking it. Before you made Mr. Premchund a director, the most common remark in circulars returned by our native colleagues was "Better ask Mr. Premchund, and be guided by his opinion." Bear with me for a moment on a personal matter, and I have done. Mr. Tracey's name and my own have been made free use of. We have been pointed at as speculators who had no right to be at this board. I believe that all merchants are more or less speculators. Be this as it may, it is some consolation to my colleague and myself to be able to tell you that we have not, for our firms or for ourselves, borrowed one rupee from the Bank of Bombay, directly or indirectly, neither have we recommended a friend to do so. I will also publicly mention—what many of you may possibly be aware of—that I have never been concerned in a time-bargain, whether on stamped paper or unstamped. I always looked upon time-bargains in produce as being a hindrance to trade, and anxiously hoped they might have been suppressed. As for time-bargains in shares, they have been the curse of the place, and I believe a source of grief to all

who have had to do with them. For the good of Bombay, then, let us hope there is not an institution or a man in the place, willing to have anything to do with them henceforth, and for ever. The presidentship of this bank I consider to be a post of high honour, but it has grave responsibilities attached, and it has not been to me a bed of roses since March last. I have upon more than one occasion offered to resign it, as well as my seat at the board, but my fellow directors said "No." I tender you my resignation now. If you accept it, good and well; if not, health permitting, I am willing to work on to the best of my ability, and trust that you may have a more cheering report read to you at your next meeting. I move, "That the report and accounts now before you be adopted, printed, and circulated amongst the proprietors."

Mr. Lidderdale seconded the motion, which was carried unanimously.

Sir Jamsetjee Jejeebhoy moved "That the president's address to this meeting be also printed and appended to the directors' report."

The Hon. George Foggo seconded the motion, and remarked that he hoped the chairman's anticipations would be realised.

The motion having been carried,

Mr. Muncherjee Nowrojee Banajee moved "That Mr. James Ranken and Mr. J. G. Tyndall be re-elected auditors to the bank for the current year."

Mr. Jehangier Hormusjee Chinoy seconded the motion, which was also carried without comment.

As the proceedings of the meeting were about to terminate, Sir Jamsetjee Jejeebhoy, addressing the chairman, said: "I beg to propose that you retain your seat at the board—we have great confidence in you."

Dr. Collum remarked that as the meeting seemed to have every confidence in the directors, he thought that a vote of confidence should be passed.

Sir Jamsetjee Jejeebhoy then proposed "That the shareholders of the bank have every confidence in the chairman and directors, and that their thanks be accorded to them."

Dr. Collum seconded it.

The resolution was then put to the meeting and carried unanimously.

The meeting then broke up.

MERCHANT BANKING COMPANY OF LONDON.

AN ordinary general meeting of the shareholders of this company was held on the 14th September, at the London Tavern; Mr. John Paterson in the chair.

The Secretary (Mr. B. W. Ball) having read the notice convening the meeting,

The Chairman observed that hon. proprietors were aware that by the articles of association it was not necessary that a meeting of the proprietors should be held oftener than once a year; but the directors thought it was fitting and wise to call them together at a shorter interval, in order that any explanations which might be required should be afforded to them. It was very gratifying to him to be able to state that the business of the bank up to the 30th of June last, to which time the accounts had been made up, had been most satisfactory, the progress of the institution more than equaling the anticipations of the directors. It was hardly necessary to say that the interest account was not so large this year as last, because in an insti-

tution like the Merchant Bank, it was necessary to keep a large amount of their funds at call at the bankers'. During the year 1864 the company received from 7 to 8 per cent. upon such funds, but in consequence of the decline of interest during the last six months they had only received from 3 to 5 per cent. The interest accounts of the customers of the bank also showed a decline of something like 3 per cent. as compared with 1864. He did not, however, conceive that it was desirable that a very large amount of the profit should be made out of a high rate of interest, because when interest ruled from £7 to £9 per cent., it indicated an unsound, if not altogether an unsafe, state of trade, and he for one thought that, since interest had declined to 4 or 5 per cent., a better state of trade had arisen. Except as regarded the interest account the business of the Merchant Banking Company had been quite equal to the expectations of the directors, and they had no hesitation in declaring the *ad interim* dividend of £8 per cent. per annum upon the last half-year's work. They might be asked why they did not declare a dividend of £10 per cent., as on the occasion of the last *ad interim* dividend; but his answer was, that whereas they could at that time get 7½ per cent. for their money, they could not now obtain more than from 4 to 5 per cent., and that relatively the shareholders were in precisely the same position, because the bank gave them a dividend in each case at a rate exceeding the current rate of interest by 3 per cent. Moreover, the directors did not consider it good policy to declare excessive dividends until they had considerably reduced the sum due on account of the amalgamation, and had raised a sufficient reserve fund. The amalgamation account was a very large one, and the directors conceived that they would be acting in the interests of the company if, while declaring what might be considered a fair dividend, they took the opportunity of liquidating the amalgamation account within the shortest possible period. They intended to abolish it within the next few years, because they were convinced that if it was not now in existence, the shares of the company would be worth 100 per cent. above the present value. If, therefore, they were able to declare a dividend at the rate of 8 per cent. for the next few years, and, at the same time, take measures to extinguish that debt, it would raise the shares to their proper value, while the shareholders would be receiving virtually something like 40 per cent. By the articles of association, whenever they declared a dividend above 5 per cent. they were bound to place a sum equal to the excess to the reserve fund, so that while they were declaring a dividend of 8 per cent., they were necessarily placing also 3 per cent. to the reserve. The dividend would absorb £10,000, and the remainder of the profits, deducting the working expenses and contingencies, had been carried forward to the annual account. Of course, it would be understood that it was impossible in such a business as theirs to balance the accounts oftener than once a year, but he assured the meeting that the profits amounted to a very considerable sum. He now begged to move that a dividend of 8 per cent. per annum be declared, stating at the same time that he should be happy to answer any questions hon. proprietors might have to put to him.

A Proprietor called attention to the great depression of the shares of the company in the Stock Exchange, and inquired of the board to what they attributed the sudden fall from a premium of 8 per cent. to par.

Mr. Law could not help thinking that the depreciation in the shares arose from the over-candour of the chairman, who stated at the last meeting that advances were made to the full extent of produce securities, and inasmuch as about that time the whole of the produce markets experienced an alarming depression, and several failures took place, the public naturally

enough associated the bank with the state of the produce market, and the price of shares fell in consequence. He should be glad of some explanation upon this point; and wished particularly to know whether the bank continued to advance to the full amount of the securities presented to them.

The Chairman explained that there was some misapprehension upon the point. The principle upon which the bank conducted its business was not in any case to advance above three-fourths of the securities. What he stated was that there were many safe houses who never would pledge their securities, and that in such cases they had done business without exacting any such pledges, but certainly the general understanding was that they never went beyond three-fourths of the securities.

A Proprietor said that the true criterion of the state of the bank was the price of the shares, and they had fallen considerably, no doubt owing to the impression that it must have sustained great losses by the depression of the produce market.

The Chairman assured the hon. proprietor that he had taken a most mistaken view of the question. The business of the Merchant Banking Company was in no way regulated by the operations of the Stock Exchange. No doubt a general fall in shares had taken place, but it was quite sufficient for him to state that not only had no considerable losses been made—in fact none of consequence—but that the board had not in the slightest degree departed from the sound mode of doing business adopted by the eminent firm with which an amalgamation had taken place. Of course no bank enjoyed a perfect immunity from losses, and if they could insure that this would, he for one should only be too glad to buy up the whole concern. At the same time, the losses had been very small, and in no way justified the fall in the shares. He must state once for all, that the board conducted their business on sound banking principles, and were totally uninfluenced by what took place on the Stock Exchange.

Mr. Butler, a director, stated that the loss on produce had taken place chiefly in the article of cotton, with which the Merchant Banking Company had had little or nothing to do. The whole supposition of losses sustained was based on an entire misapprehension, and arose from the fact that because the bank made advances on produce, and because the produce market had been depressed, losses must have been sustained by the Bank to a considerable amount. On the contrary, the losses of the company had been very small. (Hear, hear.)

Mr. Law expressed himself much gratified at the statements which had been made by the board, which he hoped would put an end to the misapprehensions that had certainly existed in reference to the position of the company.

The resolution for the declaration of the dividend proposed by the board was then put to the meeting and carried unanimously, and a vote of thanks to the chairman and directors terminated the proceedings.

BANK OF ENGLAND.

A GENERAL court of the proprietors in this corporation was held in the bank parlour, on the 14th September, under the presidency of Henry Lancelot Holland, Esq., the governor.

The Secretary having read the minutes of the former meeting,

The Governor said he had to acquaint the court that this was one of the quarterly general courts appointed by the charter, and that it was one of the

half-yearly general courts appointed by the 12th bye-law for the making of dividends; that the net profits of the half-year ending the 31st August last were £704,269. 4s. 6d., making the amount of the rest on that day £3,733,945. 3s. 1d., and that after providing a dividend at the rate of 5 per cent., the rest would remain at £3,006,295. 3s. 1d. The court, therefore, would be asked to adopt the recommendation for a dividend at the rate of 5 per cent. upon and after the 10th of October next, without deduction for income tax. (Hear, hear.) The Governor said that no doubt the proprietors were prepared for the announcement of a smaller dividend than the previous one, but, taking into consideration all matters, he thought they would agree with him that there was great reason to be satisfied, and therefore, there would be no dissentient voice to the resolution proposing to pay that dividend. (Hear, hear.) He then formally moved that the dividend at the rate of 5 per cent. be declared, and stated that the warrants would be ready on the 11th of October next.

Upon the motion that the court be adjourned,

Mr. Moxon wished to ask one or two questions. Last year he asked the directors whether they intended to allow the payment of interest on deposits, and the answer given was that the court had taken the matter into consideration, but had not made up their minds upon the subject. He now repeated the question. Another point was one of great importance, and that was, as to the state of the debenture debt, in which the bank was alleged, out of doors, to be largely affected with railway companies. One of the directors of the Bank of England had taken the trouble to write to the newspapers upon the subject of the debentures of the Great Eastern Railway Company, and he wished to know whether the Bank of England were large holders of that company's debentures. He was anxious to know this, as in the next session of parliament some action might be taken upon the subject. It was asserted that the Bank of England held debentures in different railway companies to the extent of between £8,000,000 and £9,000,000, and in the interest of the proprietors and the public generally he wished to know whether such was the case. Whether the question was answered or not, he hoped that the matter would receive due attention at the hands of the court of directors at a future period.

The Governor said that with regard to the first question he thought the hon. proprietor had misunderstood the answer of the late governor. The subject of interest on deposits was every now and then pressed on the directors. But that was a question wider and larger than at first sight appeared. No person could say what changes might take place, but at present the directors were of opinion that it was not the interest of the bank to allow interest on deposits. (Hear.) The second question was a very proper one, and the attention of the directors had been called to it. Though they had not held anything like the amount of debentures mentioned by the hon. gentleman, they held a considerable amount, something like £4,000,000. But they had the pick of the railway debentures, and had not only good security but the respectability of the directors and of the management generally.

Mr. Moxon asked what amount of Great Eastern debentures was held.

The Governor said they did not hold any great amount of the Great Eastern. There were fifteen or sixteen railways whose debentures they held, but the amount of any one was not very large. In this, as in other instances by consulting their own interest they were doing all that could be required of them for the defence of the public. The House of Commons might, take some action in the spring, and it was a matter more for that body than the Bank of England.

Mr. Moxon referred to the case of the West Hartlepool to show the danger of these securities.

The dividend was then agreed to.

On the motion of Mr. Cave, seconded by Mr. Botley, a vote of thanks was passed to the governor and directors.

LONDON BANK OF MEXICO AND SOUTH AMERICA, LIMITED.

THE half-yearly general meeting of the proprietors of this company was held on the 19th September, at the London Tavern; Mr. J. Paterson in the chair.

The report, which was taken as read, was as follows:—"In compliance with the request expressed by the shareholders at the last general meeting, to the effect that such meetings should in future be held half-yearly, the directors have pleasure in calling them together on the present occasion, for the purpose of submitting the subjoined statement of accounts, duly vouched by the auditors, and of declaring an interim dividend. From these accounts it will be seen, that for the six months ending June 30th last the business of the bank at its several branches has made very satisfactory progress; the net profits, after deducting rebate of interest, current expenses, and providing for bad and doubtful debts, amounting to £22,884. 17s. 1d., or about 20 per cent. per annum on the paid-up capital of the bank, which, with the sum of £1,964. 2s. brought forward from last account, makes an available total of £24,848. 19s. 1d. This sum the directors recommend should be dealt with as follows:—To the payment of an interim dividend for the half-year ending 30th June, of 10s. per share, being at the rate of about 9 per cent. per annum, £9,992, leaving a balance to be carried forward to the next account of £14,856. 19s. 1d.—subject to payment of remuneration to directors and auditors, and income-tax. The directors have only further to add, that latest accounts are equally favourable, and furnish continued evidence that in Mexico, Lima, Callao, and Bogota, where the branches of this bank are established, there is a great field for the profitable employment of large capital in banking operations."

Balance-sheet for half-year ending 30th June, 1865.

CAPITAL AND LIABILITIES.

Capital—Amount authorised, in 20,000 shares of £50 each, with power to increase, £1,000,000.		
Shares issued—19,984 shares of £50 each, on which £12. 10s. per share has been called up, £249,800; less calls in arrear (of which only £315 now remain unpaid) £4,327. 10s., making a total of £245,472. 10s.; add calls paid in advance, £50		£245,522 10 0
Liabilities—Deposits, bills payable, and other liabilities £587,725. 13s. 10d.; notes issued at Lima, Mexico, and Bogota, £14,078. 13s. 4d.		601,804 7 2
Unclaimed dividends		291 4 0
Rebate of interest on bills current		7,924 12 6
Reserve fund		1,000 0 0
Profit and loss account—Balance of profit to 31st December, 1864, after payment of dividend, directors' fees, &c., £1,964. 2s.; balance of profit from 31st December, 1864 to 30th June, 1865, as per annexed account, £22,884. 17s. 1d.		24,848 19 1
		<u>£881,391 12 3</u>

PROPERTY AND ASSETS.

Cash on hand and at bankers'	£108,912	0	5
Bullion in hand	658	1	8
Bills receivable	455,567	1	8
Balances due on current accounts, loans, &c.	302,461	15	6
Expenditure on bank premises, office furniture, &c. (after deducting 10 per cent. written off at branches)	4,659	0	7
Preliminary expenses (balance)	9,133	12	10
	<u>£881,391</u>	<u>12</u>	<u>8</u>

Profit and Loss Account for half-year ending 30th June, 1865.

General charges in London, and branches at Mexico, Lima, Callao, and Bogota	£13,270	8	3
Rebate of interest on bills current	7,924	12	0
Balance, being net profit	22,884	17	1
	<u>£44,079</u>	<u>17</u>	<u>4</u>

Gross profits from 1st January, 1865, at London, Lima, Callao, and Mexico, and from 7th November, 1864, at Bogota	<u>£44,079</u>	<u>17</u>	<u>4</u>
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The Chairman, in moving the adoption of the report, stated that it was advantageous in new concerns to make the shareholders acquainted as frequently as possible with the state of their affairs, and with that feeling the directors had readily responded to the wish of some of the shareholders to hold half-yearly meetings, consequently they were called together on the present occasion. The report was very satisfactory, and required little from him to recommend it. The profit fully equalled the expectations of those who looked for great things as resulting from banking in Mexico. They had made a net profit during the half-year at the rate of 20 per cent. per annum, while their losses had been very small indeed. To avoid a heavy item of preliminary expenses they had carried to current charges the cost of conveying the managers and officers to the branches at Bogota, Lima, &c., and also the expenses of removing books, safes, &c., to those places, which was very heavy. This brought up the general charges to the large sum of £13,270, but at least £4,000 of this the directors might justly and fairly have carried to preliminary expenses, but they feel that having made large profits, they would be acting most in accordance with the wishes of the shareholders by carrying these items to current charges. (Cheers.) If, however, they had been charged to preliminary expenses, the results of the half-year would have shown a profit at the rate of £25 per cent. per annum. (Hear, hear.) The largest proportion of the business of the bank was, as they were aware, in Mexico, and he was happy to say that it was carried on almost absolutely without loss. He was justified in saying this, inasmuch as the entire loss they had incurred from the beginning was only £40, which arose on a small bill taken on a remittance to this country. On the other hand, the assets in Mexico were very satisfactory, and the exchange business, which was very large, was as good as any similar business carried on by any bank in the city of London. They had equally good reports of the state of affairs at Peru, Callao, and Lima. The only loss made there arose out of a small bill drawn upon an Australian bank which turned out to be forged, but it was only for a small amount. At these branches the assets were equally satisfactory with those at the establishment in Mexico. At Colombia, that was at Bogota, they only commenced business in No-

vember, but from the reports received and the examinations which had been instituted, everything seemed to be going on satisfactorily there also. The amount of business done at Bogota was larger than they could with their present capital follow up, and he believed the shareholders were not just now inclined to sanction, nor were the directors desirous of making a further issue of capital. Since the closing of the half-year ending 30th June the business had continued to progress most satisfactorily at all the branches except Bogota, from which it was as yet too early to receive accounts. The profit made during the first month of the current half year was £5,872. 5s. 10d.; against the rebate of £7,924 they had for the month of July made a profit of £13,796, and as they carried forward to the current half-year's account £14,856, they had actually already in hand for the purposes of dividend at the next half-year £28,650. 17s. 11d., less the current expenses. (Hear, hear.) Within the last month they had increased their deposits to the extent of £5,000, and at Lima they had some of the wealthiest and most influential of the inhabitants amongst the depositors with the bank on fixed accounts. The notes of the bank were also readily taken, and altogether they were in a most healthy and satisfactory state. Some alarm, he believed, had been felt by some of the shareholders on account of the projected National Bank of Mexico, on the ground that it might compete prejudicially with this bank. He had no apprehensions of the kind, for he believed that in Mexico there was an abundant field for the successful operations of two banks, but he was happy to inform them that the scheme for establishing a National Bank of Mexico was now altogether in abeyance, and he did not know whether or not it would be ever revived. In conclusion he moved the adoption of the report.

Mr. J. T. Hunt seconded the motion.

In reply to questions,

The Chairman said as they were in favour in Mexico as a British banking institution, it was not intended to take any steps to obtain the position of a national bank in Mexico, it being better to leave well alone, and it being also to be remembered that as a British institution they would be uncompromised by any political change that might take place. In Colombia there was an idea of constituting the several branches of the bank into a National Bank of Colombia, but if they should decide upon taking steps to give practical effect to that idea, it would be on the principle of a separate capital, the shareholders having, of course, the option to take up that capital. He could not promise that there would be no further call, but there was no present intention of calling up further capital.

A brief discussion followed, in the course of which one or two shareholders held that it would increase public confidence in the concern if a larger proportion of the subscribed capital were called up, and Mr. Sinclair expressed some disappointment that with such a flourishing state of affairs the shares should be at a discount, and asked for information as to where the weak point was—a question which was replied to by another proprietor, who said that the only weak point was the infancy of the bank, and the chairman added that many persons entertained fears of the political position of Mexico, and that feeling no doubt acted to the prejudice of the bank. They were, however, improving, inasmuch as the shares, which were four discount a short time ago, were now at par.

The motion was carried unanimously.

An interim dividend of 10s. a share, payable on and after the 29th inst., was also carried; £1,000 was set apart as remuneration to the directors for the past half-year, and a vote of thanks to the chairman and directors concluded the proceedings.

BRITISH GUIANA BANK.

The following is a report of the proceedings at the fifty-seventh half-yearly general meeting of the proprietors, held on the 17th August; J. W. Davson, Esq., in the chair.

The Manager read the following abstract summary, exhibiting a general statement of the affairs of the British Guiana Bank on the 30th June:—

Dr.

Proprietors' paid-up capital	...	...	...	...	...	\$926,520	0
Reserve fund invested per Contra	...	...	...	...	...	200,000	0
Due to the public on account of lodgments, including interest on deposits current	...	...	...	...	...	586,262	14
Circulation	...	...	...	...	...	285,870	0
Dividends unclaimed	...	...	...	...	...	7,479	61
Balance in favour of the bank	...	...	...	...	...	85,526	34
							<hr/>
							\$2,091,658 09
							<hr/>

Cr.

Due to the bank on securities in bills discounted, bonds, other investments, cash in hand and in the hands of agents	...	...	...	...	...	\$1,858,458	09
Reserve fund investments in Turkish 4 per cents. guaranteed by England and France	...	...	...	...	...	\$96,000	
In Bank of England Stock	...	...	...	...	...	200,000	0
Bank premises, office furniture, &c.	...	...	...	...	...	33,200	0
							<hr/>
							\$2,091,658 09
							<hr/>

"The balance shown in the foregoing statement consists of the surplus fund, \$34,628. 60; net profits for the half-year ending 30th of June, \$50,897. 74. The Directors recommend the declaration of a dividend of 4 per cent. for the past half-year, being at the usual rate of 8 per cent. per annum; this will require the sum of \$37,068. 80, leaving \$13,836. 94 in accumulation of the surplus fund, and they further propose that a bonus of 1 per cent. be paid to the proprietors out of the surplus fund, after which their will remain a balance of surplus profits of \$39,200. 34.

"Georgetown, 27th July, 1865."

Moved by the Chairman, seconded by Mr. Robert Smith, and resolved—"That the report of the Directors be received and adopted."

Moved by Mr. John Drysdale, seconded by Mr. E. G. Barr, and resolved—"That, as recommended by the court of directors, a dividend be declared of 4 per cent. for the half-year ending 30th June; and that, further, a bonus of 1 per cent. be paid to the proprietors out of the surplus fund."

Moved by Mr. B. V. Abraham, seconded by Mr. W. Knox, and resolved—"That a copy of the report be laid before His Excellency the Governor, and that the proceedings of the meeting be printed for circulation among the proprietors."

Moved by Mr. Winter, seconded by Mr. Barr, and resolved—"That a sum not exceeding \$2,000 per annum be placed at the disposal of the directors for the purpose of remunerating them for their services."

Moved by Dr. Scott, seconded by Mr. E. H. G. Dalton, and resolved—"That the thanks of the meeting be tendered to the chairman and directors of the bank."

Moved by Mr. R. D. Stewart, seconded by Mr. H. J. Parnell, and resolved—"That the thanks of the meeting be given to the officers of the bank for their attention to their duties."

Moved by the Chairman, seconded by Mr. Mackey, and resolved—"That the thanks of the meeting be tendered to the president and committee of the Athenæum for the use of the rooms."

The Chairman vacated the chair, and the same having been taken by Mr. Mackey, it was moved by Mr. Winter, seconded by Mr. Drysdale, and resolved, that the thanks of the meeting be given to the chairman for his conduct in the chair.

The Chairman having resumed, declared the meeting closed.

BANK OF BRITISH COLUMBIA.

THE following is the report of the directors to be presented at the general meeting to be held at the London Tavern, on the 3rd October :—

"The directors have the pleasure to submit to the proprietors the accompanying statement of accounts for the half-year ended 30th June last, and have satisfaction in stating that after paying all charges, deducting rebate of interest on bills not due, and making ample provision for bad and doubtful debts, the undivided profits amount to £20,078. 13s. 8d., which the directors propose to appropriate as follows, viz. :—£9,375 in payment of a dividend at the rate of 10 per cent. per annum; £7,000 to reserve fund, which will then amount to £20,000; leaving £3,793. 13s. 8d. to be carried forward to the current half-year."

Statement of Liabilities and Assets at the London office and branches on 30th June, 1865.

LIABILITIES.

Capital paid-up	...	...	...	...	£187,500	0	0
Reserve fund	...	...	...	...	13,000	0	0
Deposits, notes in circulation, bills payable, and other liabilities	...	...	...	...	271,909	17	5
Balance of profit and loss on the 30th June, 1865	...	...	...	...	20,078	13	8
					<u>£492,488</u>	<u>11</u>	<u>1</u>

ASSETS.

Specie and bullion in hand, and cash at bankers'	...	...	...	...	£89,676	0	6
Bills discounted, bills receivable, government and other securities	...	...	...	...	398,188	11	11
Bank premises, furniture, and other property	...	...	...	...	4,623	18	8
					<u>£492,488</u>	<u>11</u>	<u>1</u>

Profit and Loss Account, 30th June, 1865.

Dividend paid 8th April, 1865	...	...	...	...	8,333	6	8
Amount carried to reserve fund	...	...	...	...	7,000	0	0
Charges to 30th June, 1865, including rent, taxes, salaries, directors' fees, and all other expenses at head office and branches	...	...	...	...	10,365	8	11
Balance of profit, 30th June, 1865	...	...	...	...	20,078	13	8
					<u>£45,777</u>	<u>9</u>	<u>3</u>

Balance of profit and loss account brought from 31st December, 1864	...	...	...	...	...	18,680	12	1
Profits for six months ended 30th June, 1865, after deducting rebate of interest on bills not due, and making ample provision for bad and doubtful debts	...	...	...	...	...	27,096	17	2
						<u>£45,777</u>	<u>9</u>	<u>3</u>
PROPOSED APPROPRIATION, VIZ. :—								
Dividend at 10 per cent. per annum	...	...	...	...	...	9,375	0	0
Amount to be added to reserve fund	...	...	...	...	...	7,000	0	0
To be carried forward	...	...	...	...	...	3,703	13	8
						<u>£20,078</u>	<u>13</u>	<u>8</u>
By balance	...	...	...	...	...	20,078	13	8
						<u>£20,078</u>	<u>13</u>	<u>8</u>

EAST INDIA BANK.

The second ordinary general meeting of the shareholders of this bank was held at its offices in Hornby Row, on the 9th August, to receive the directors' report; to consider whether the bank should be registered with limited liability; and to take such steps as might be considered necessary for effecting that object. The shareholders present consisted entirely of natives.

On the motion of Mr. Kessowjee Naique, seconded by Mr. Alladinbhoy Hubbibhoy, Mr. Muncherjee Nowrowjee Banajee was called to the chair.

After reading the advertisement calling the meeting, the Chairman read the following report :—

"Your directors have this day the pleasure of meeting you for the second time since the formation of the East India Bank, and it is their duty, in terms of the articles of association, to place before you a statement of accounts made up to the 30th June. A reference to the balance-sheet will show a profit to that date of Rs. 4,35,275-12-6; but as it is apparent that these figures, though correct in point of form, are merely nominal, it is proposed to give a short explanation on the subject. In the first place, your directors are anxious that it should be distinctly understood that the exhibition of a balance of profit on the bank's operations to the 30th June is not put forward with any intention of misleading those interested as to the real position of the bank. On the contrary, your directors wish to place you in full possession of all details, which may enable you to form a correct estimate of how it stands; but the exigencies of book-keeping required that the accounts should be made up as they have been. On numerous transactions still open, the bank will, without doubt, sustain very considerable losses; but, as the auditor very properly remarks, the extent of them it is impossible, with any degree of accuracy, at present to estimate. That heavy losses should have been sustained by this bank, in common with every other institution of a similar character in Bombay, will excite no surprise. Bombay has passed, is still passing, through an ordeal of no ordinary character, and the shareholders must be prepared to find that the East India Bank will not come out scatheless. The present is not an opportunity for making a detailed public

statement of the probable ultimate results of the bank's transactions; but your directors may safely say, that it is their belief that those results will at least bear comparison, and favourable comparison, with those shown by any other local bank established under similar circumstances. A few items in the balance-sheet call for observation. Shares to the extent of Rs. 15,70,000 have been forfeited, and the capital of the bank is thus reduced to Rs. 46,80,000. The shares in question were forfeited for non-payment of the 3rd and 4th calls, and Rs. 9,19,250, the amount paid-up on 1st and 2nd calls on those shares, has been placed to a reserve fund. Your directors did not take this step without full consideration; it may at first sight seem a harsh proceeding to forfeit shares because their holders are unable to pay calls; but your directors would remind you that the interests of those shareholders who can and do pay, are at least to be regarded as much as those of shareholders who cannot, or, as often happens, will not. It is clearly unfair that the operations of a bank should be crippled, and its business restricted, to the loss of those shareholders who have honestly contributed their share of its capital, merely because other shareholders are unable to pay their proportion, or think they can employ their funds more profitably to themselves in other ways. The requirements of the articles were fully met; every one whose shares have been forfeited had ample notice in the prescribed form, and your directors do not doubt but that the course they adopted will meet with your approval. It should also be mentioned that Rs. 8,00,000, the amount of capital allotted to the bank's Calcutta agency, is included in the balance-sheet under the item of loans and local bills discounted. With reference to the auditor's remark that some of the bank's securities are not in order, it must be stated that these almost entirely consist of financial and other shares which your directors do not consider it advisable to have transferred to the bank's name. Leaving the balance-sheet and accounts, your directors would now make the following important recommendation affecting the constitution of the bank. The basis upon which the bank is established is, as you are all aware, that of unlimited liability, and the recommendation of the board is that that basis be changed, and that the liability of the shareholders shall for the future be restricted in accordance with the provisions of Act 7 of 1860. This recommendation is made in concert with the wishes of many large and influential shareholders whom your directors have consulted; and they have reason to believe that the proposal will meet with the general sanction and approval of all concerned. In this view of the matter, they do not here enter into the reasons which have influenced them in arriving at the conclusion they have. If the proposal meet with your approval, it will be necessary to wind-up the affairs of the bank, *pro forma*; but this can be done without difficulty, and without stopping current business for a day."

The report having been adopted, Mr. Byramjee Cursetjee moved—"That Messrs. Kessowjee Naique and Alladinbhoy Hubbibhoy be re-elected directors."

Mr. Muncherjee Nowrowjee Banajee moved :—"That the constitution of the bank be altered by making the liability of the shareholders limited, instead of unlimited as at present, and that the board of directors be, and they are hereby authorised, in consultation with Mr. Crawford, the bank's solicitor, to take all necessary steps with that object."

Mr. Eduljee Dorabjee seconded the motion, which was agreed to unanimously.

The meeting then terminated.

BOMBAY CITY BANK.

THE first ordinary general meeting of the registered shareholders of this bank was held at its offices in Church Gate Street, on the 15th of August. Mr. Rudolph Ahlers occupied the chair. The shareholders present were exclusively natives.

The Chairman read the directors' report as follows:—"The directors, in meeting the shareholders for the first time, beg to lay before them the balance-sheet of the bank to 30th June, 1865. The bank was opened for business on the 15th August, 1864, and you will observe, from the statement now submitted, that the whole of the first call made on 21st June, 1864, and due 27th idem, has been paid; that of the second call made on 21st September, 1864, and due 5th November, there is unpaid the sum of Rs. 7,850; and of the third call, made on 31st December last, and due 28th February, 1865, there still remains to be paid Rs. 8,09,000. The shareholders have been duly advised, both by post and advertisements, that the shares on which these calls remain unpaid are forfeited. This measure has only been adopted after mature consideration, and the directors in doing so are confident that, for the benefit of the present shareholders, it should be carried out. Sufficient time has been allowed for the payment of all calls, the notice of forfeiture of shares upon which the second and third call remained unpaid having been advertised as long back as February last, but not acted upon until the 5th instant. After estimating the depreciation in the value of the securities held by the bank on its own account, allowing no interest to be calculated upon overdue loans or past-due bills, and taking into consideration the expenses incurred in the opening of the agencies in London and Calcutta, the balance of the profit and loss account is Rs. 97,583-12-9. This amount the directors propose to carry forward to the current half-year, regretting that they cannot recommend any dividend at this time. The sudden and great fall in the value of all securities in this market, and consequent panic, coupled with the numerous failures both here and at home, will, the directors regret to say, cause the bank to suffer considerable loss, but as in the great majority of its transactions the bank has been secured, and as an improvement in the value of good securities may be fairly expected, they trust that by a judicious disposal of those now held the eventual loss will prove but small. Branches have been established in London and Calcutta, the former being under the charge of Mr. Davison, the late manager here, and the latter under that of Mr. Leitch, late of the Oriental Bank, Calcutta; as both these gentlemen, especially the former, have considerable experience in banking, we have no doubt that these agencies will become a source of profit to the bank. In room of the present directors, who now retire, the shareholders have to elect others. Of those who have been acting, Mr. Ahlers, Mr. Price, and Mr. Bhugwandass Purahotumdass, offer themselves for re-election. The remuneration to be allowed must also be decided upon. The shareholders have also to elect auditors for the ensuing year, and Messrs. Brodie and Wilson, gentlemen well qualified for the post, are recommended. Their remuneration must also be fixed."

The Chairman then addressed the shareholders as follows:—"Gentlemen, in moving the adoption of the report just read, I will, with your permission, make a few explanations as regards the item of profit and loss in the balance-sheet now before you, and also a few remarks with reference to the general position of this bank. You will observe that the amount carried to the credit of profit and loss account for 30th June last is

Rs. 97,583-12-9, and I imagine that some of you will consider this amount small as compared with the profit shown by other banks which were established about the same time as this, and which also have recently published their accounts, according to which larger profits than ours have been realised. Now, in this respect I wish to point out to you that the profit of this bank also is larger than the amount stated above, but that we have reduced it by deducting from it the probable loss which the bank will sustain owing to the depreciation in the value of the securities held by the bank for its own account. For this purpose we have written off from the profit an amount of Rs. 84,735-13-10, and we now anticipate no further loss in this respect. Another circumstance which may make the profit appear small is, that we have not yet taken into account any interest on such loans or transactions as fell due before the end of June but have not yet been paid. We considered it best not to swell our profit by any such fictitious calculations, which might lead to disappointments afterwards. Our above profit, although small, is really earned and due; but I regret that I cannot recommend its distribution as a dividend, but must advise its being carried forward to next year's account; for although, as already stated, we have provided for the depreciation in the securities held on the bank's own account, no provision has as yet been made for the loss which the bank may sustain from the reduction in the value of the securities held on account of its customers. I would gladly have framed an estimate also of this loss, and laid it before you, but this is impossible, for two reasons, one of which is, that the securities are not yet sold, and the other, that we do not yet know the amount which ultimately will be recovered from those on whose account the securities are held. In six months' time we shall, no doubt, see much clearer in this respect. In connection with this subject I may mention that as the bank is entirely free from debt, no necessity exists for any undue haste in the realisation of these securities; on the contrary, the bank will hold them (unless previously redeemed) until such a moment as may be considered the most favourable for the sale; and I have no doubt, in consideration of this circumstance, and keeping a careful watch over the movements of the market, that the ultimate loss, although no doubt important, will still prove considerably less than is generally anticipated. If the bank has not been fortunate in its local transactions, it certainly may, as compared with other banks, congratulate itself upon its operations with Europe, for the amount of dishonoured bills in our hands is, comparatively speaking, very small, and after careful calculation it is thought that about one lac of rupees will be sufficient to cover the whole ultimate loss on this account. The forfeiture of the shares on which the second and third calls are unpaid has for some time had the very serious consideration of your directors, and in justice to the existing shareholders, they had no alternative but to adopt this measure. Nor can it be called harsh; for the third call was made long before the commencement of the crisis, and the forfeiture has not been put into execution until a few days back, when the crisis may be considered as ended. The position of the remaining shareholders is, of course considerably benefited by this measure. The report informs you that agencies have been opened both at Calcutta and London, and your directors trust, after confidence has been fully re-established, that both agencies will prove sources of profit to the bank. The gentleman at the head of the Calcutta agency, Mr. Leitch, was formerly in the Oriental Bank, and the gentleman at the head of the London agency is Mr. Davison, formerly manager here of the French Bank, and who probably is personally known to most of you as a very able and intelligent bank manager. Mr.

Davison takes very great interest in the success of our bank; and, as a proof of this, I feel pleasure in mentioning that he, about two months back, voluntarily placed half of his salary at the disposal of the directors, in order, as he writes, to prove his interest in the success of the bank, and in order to reduce its losses as much as lies in his power. The directors have accepted this sacrifice on the part of Mr. Davison, hoping soon to be justified in requesting him to revert to his previous remuneration. As you all know, we have just passed through a fearful crisis; but after a crisis, legitimate business in all its branches, as a rule, soon revives with renewed vigour. I have no doubt that this will also prove the case in Bombay, and that good and profitable years are before us, during which, also, this bank will find safe and profitable employment for its funds, and ample opportunity of redeeming its previous losses. Nor need we anticipate any further losses of consequence for several years to come; for I have no doubt that the crisis just passed has taught us all a lesson which we shall not soon forget. In conclusion, I call upon the shareholders to let their full confidence remain with the directors, and to give the bank all the support that may be in their power, and I have no doubt that twelve months hence we shall be in a position to lay before you a much more satisfactory report than we can do to-day. I beg to move that the report and accounts now submitted be adopted."

Mr. Cooverjee Cowasjee Jussawalla seconded the motion, which was agreed to unanimously.

Mr. Muncherjee Pestonjee then proposed, and Mr. Dadabhoi Nusseranjee seconded—"That Rudolph Ahlers, Esq., R.T. Price, Esq., and Bhugwandass Purshotumdass, Esq., be elected directors for the ensuing year;" which was also carried unanimously.

Mr. Cursetjee Eduljee Chinoy proposed, and Nowrosjee Muncherjee seconded—"That Cullilandass Mohundass, Esq., and Tribhohundass Jugeevundass, Esq., be elected directors in place of Mr. Ardaseer Cursetjee Dady, and Mr. Merwanjee Nusserwanjee Bhowngugree, resigned." The resolution was carried without discussion.

It was then proposed by Cursetjee Eduljee Chenoy, and seconded by D. J. Lisboa, Esq.—"That Messrs. Brodie and Wilson be elected auditors for the ensuing year, and their remuneration be Rs. 500 for each audit."

A vote of thanks was then awarded to the Chairman, and the meeting broke up.

ALLIANCE BANK OF BOMBAY.

THE first ordinary general meeting of the registered shareholders of this bank was held at the offices of the company on the 16th August, for the purpose of receiving the report of the directors and the balance-sheet to 30th June last,—to elect directors and auditors for the ensuing year, and to fix their remuneration. F. C. Kelly, Esq., of the firm of Kelly, Hore and Manisty, occupied the chair. All of the shareholders present, numbering between twenty and thirty, were natives.

The Chairman read the directors' report, which is as follows:—

"In meeting the shareholders for the first time since the formation of the company, the directors would lay before them a short statement of what has been done. The company was registered on the 11th of August, 1864, and commenced business on the 1st September with a paid-up capital of twelve lacs of rupees. A second call of Rs. 75 per share was made payable on the 15th of September, and was duly paid on all the shares

except 77. A third call of Rs. 50 per share was made payable on the 15th of December last, but the same has been paid upon about half only of the shares. The shares upon which the second call was not paid have been forfeited for the benefit of the company. As to those shares upon which the third call has not been paid, the Directors have in consequence of the state of affairs in Bombay, abstained hitherto from taking any proceedings to enforce payment—but they think that the time has arrived when the defaulting shareholders should be required to pay, and they propose, in case the call with interest is not paid in the course of the month, to forfeit the shares for the benefit of the company. From the accounts which have been circulated to the shareholders, it will be seen that the profit earned during the ten months over which the account extends is entered as Rs. 3,78,544-4-2. This, however, must not be taken to be the sum actually received as profits, but it represents the amount of profits which would have been earned on the assumption that all loans with interest were duly paid off, and to ascertain the true amount you must deduct the item of “adjusting account of interest.” The result is that the amount of profits actually received is Rs. 2,29,456-12-1. The directors regret that they cannot divide this sum as a dividend amongst the shareholders. The bank has not passed uninjured through the panic which came upon Bombay, and the directors regret to say that the bank has suffered considerable losses. It is impossible at present to say what the extent of the loss will be, as there are many accounts still to be adjusted; but the directors hope to be able in most cases to make satisfactory settlements of the debts. The fall in the value of shares in Bombay has been so sudden and so great, and persons recently of credit and wealth have suffered so seriously thereby, that all companies who have advanced money must necessarily have sustained losses to a considerable amount.”

The Chairman, in moving that the report and balance-sheet be adopted, said he did not propose to detain them for any length of time. The directors unfortunately had to appear before the shareholders of the bank on the occasion of the first ordinary general meeting, in times of great commercial depression in Bombay, and they very much regretted to say they are not in a position to recommend any dividend. A panic had come upon Bombay, he did not say unexpectedly—but much more suddenly than was anticipated, and the result was that this, as well as all the other banks, had had to strain its utmost energies to maintain its position. By the accounts submitted, the shareholders would be able to form an opinion as to the work done by the bank during the ten months in which it has been in existence. The directors had not thought it expedient or proper to suggest to the meeting any ideas of their own, but they would devote their attention to receiving the money due to the bank, and making the best settlement they can with the accounts outstanding; and they hoped by the next meeting to be able to lay before the shareholders a more satisfactory balance-sheet—one which would be sound both in figures and in fact. He did not propose to go through the accounts in detail: but if any shareholder present wished to ask any questions, he should be happy to answer them. By the articles of association, the bank had a right to establish branches; but under existing circumstances the directors had not thought it expedient to open any at present. In accordance with the provisions of those articles, all the directors retire by rotation; and the meeting would have to elect new ones. Their number was declared to be not less than four, nor more than ten, and the meeting would have to decide how many the number should be. For his own part, he might say, that if the meeting saw fit to re-elect himself and the other directors,

they should be happy to act. The meeting would also have to elect auditors for the ensuing year. No provision had been made for remunerating the directors and auditors; and owing to the present distressed state of affairs in Bombay, the former did not ask anything for their services; but with regard to the auditors, the directors wished the meeting to fix their remuneration. In conclusion, he hoped that by judicious management the securities sold by the bank increasing in value, they should be able to render the shareholders a more satisfactory account of affairs by this time next year. The chairman concluded by proposing that the report and balance-sheet be adopted.

Mr. Jehanghier Bomonjee seconded the motion which was agreed to unanimously.

On the motion of Merwanjee Framjee, seconded by Purbut Luckdass, the present directors, (Messrs. Charles F. Kelly, Hurburn Nursey, Gellabhoy Puddumsey, and Seeojee Velljee) were re-elected for the ensuing year.

Mr. Luckmisunker Hariprassim moved that Messrs. Brodie and Wilson be appointed auditors of the bank for the next year, which was also agreed to.

A vote of thanks, on the motion of Merwanjee Framjee, seconded by Purbut Luckdass, was then awarded to the chairman, which having been suitably acknowledged, the meeting broke up.

EASTERN FINANCIAL ASSOCIATION OF INDIA.

On the 1st August, the Chief Justice ordered that all the creditors and contributaries of the Eastern Financial Association, Limited, should be allowed an opportunity of showing cause, if any, against an order of the 6th July, 1865, which directed that the association should be wound up, and that all suits and actions against it should be stayed; and against the appointment of official liquidators. The whole matter, under the above order, was subject to be re-opened on the 10th, before the Chief Justice, but no creditor or contributory appeared to oppose the order of the court.

Mr. Bayley, instructed by Mr. Crawford, appeared for a number of creditors of the association, under an authority given by them, and stated that the parties whom he represented, considered that the best course to promote their interests was to wind up the affairs of the company, and that the desired end would, in their opinion, be secured more advantageously and more effectually by winding up voluntarily than by the court.

Mr. Taylor, who appeared on behalf of the association, agreed in the suggestion made by the creditors, and applied that the court would, with the consent of the creditors, grant leave to let the order already made remain operative. The learned counsel stated that the company would take immediate steps to pass a special general resolution to wind up voluntarily, but that, as some time would be required to give the necessary notice to shareholders, &c., he would suggest that the order now to be made should be an order adjourning further consideration of the matter for two months.

Mr. Marriott, who appeared on the same side, submitted that the only hostile creditor, the Imperial Bank of Bombay, had no right to appear to oppose the application, their claim being in a fair way to be satisfied.

Mr. Green, instructed by Messrs. Bickersteth, Cleveland, and Peile, for the Imperial Bank of Bombay, said that he had nothing to urge against

the present application, and that he appeared merely to watch the case on behalf of his client.

Mr. Bayley stated that the debts due to his clients amounted in the aggregate to upwards of 49 lacs out of 56 lacs, the total amount of the liabilities of the company.

The Chief Justice remarked, that subject to an affidavit to be made verifying Mr. Bayley's statement of the amount due to his clients, he would order that the appointment of official liquidators be adjourned for two months, with liberty in the mean time to any of the creditors to take such proceedings as might be advised, in reference only to the winding-up of the association. The order last made directed all suits against the company to be stayed unless cause to the contrary was shown on the 10th inst. (yesterday); and as no cause to that effect had been shown, his lordship now ordered that all suits against the company should be stayed. If, within the time now allowed, no steps should be taken against the company winding-up voluntarily, the court would interpose no obstacle to its doing so.

Mr. Taylor remarked, with reference to an allegation made in the second affidavit of Mr. Macpherson, manager of the Imperial Bank, that he was now in a position to show, on an affidavit made by Mr. Watson, manager of the Eastern Financial Association, that none of the directors had ever been indebted to the association, with the exception of Pestonjee Curetjee Shroff, now an insolvent.

Mr. Green: I do not know what this has to do with the matter; and I object to my friend trying here to impeach the accuracy of one of our affidavits.

Mr. Taylor said he was only contradicting an imputation made against the directors of the Association, which, if left unrefuted, might injure their reputation.

The Chief Justice observed that imputations having been made against some of the directors, which had been made matter of public discussion, Mr. Taylor took this opportunity of clearing the character of the directors, with the exception of one of them. The gentlemen who were directors of the company had, to his lordship's mind, taken a proper course in trying to clear their character of the imputations alleged against them. A statement like that made by Mr. Taylor, was no unusual thing under the circumstances of the case.

The authority under which Mr. Bayley appeared for the creditors, was signed by agents and managers of the Bank of Bombay, the Asiatic Banking Corporation, the Agra and Masterman's Bank, the Indo-Egyptian and London Bank, the Central Bank of Western India, the Bank of Hindustan, China and Japan, the Bank of Surat, the Delhi Bank Corporation, the Financial Association of India and China, the European Assurance Society, and a number of private gentlemen. They are creditors to the extent of Rs. 49,57,500; the total amount of the company's debts being Rs. 56,88,000, of which five lacs are due to the Imperial Bank of Bombay.

GENERAL FINANCIAL CORPORATION OF INDIA.

In pursuance of a requisition addressed to the directors, an extraordinary general meeting of the shareholders of the General Financial Corporation, Limited, was held on the 16th August, at the Company's offices in Ball Lane; Curmally Kassumbhoy, Esq., was called to the chair.

The manager, Mr. E. H. Warren, read the notice convening the meeting, after which the chairman read a Guzerathee version of the report of the directors, which runs as follows:—

"The directors, in placing the circumstances of the corporation before this meeting, wish to do so in as full a manner as possible consistent with their duties towards parties doing business with the establishment, so that the shareholders may know exactly the state of their finances up to 31st July last, to which date the balance is made out, and no transactions of any consequence have taken place since. They have not considered it necessary to close the books of the corporation, as the balance of the general ledger gives quite a sufficient account of their position, with the explanation they now make of the two principal items shown therein. The first is 'share purchase account,' which stands Dr. Rs. 3,87,761-12-0. This sum is represented by 50 Port Canning and 10 Elphinstone Land and Press Company's shares, which were, unfortunately, purchased at high premiums shortly after the corporation commenced business; but the terrible panic, which has shaken Bombay to its centre, having set in soon after, all power of selling even at a small loss became absolutely impossible. Valuing those shares at their present quotation, the difference from the rates at which they were purchased would entail a loss upon the company of about Rs. 2,90,000; but the directors feel certain that, in the course of a few months, both classes of shares will again rise very considerably in public estimation, as they represent good and sound companies, whose real value is much under-rated in the present state of nervous uncertainty with which all capitalists are affected; and purchasers at ruling rates will hereafter wonder much at the folly which caused men to throw away their sound stocks for nominal prices, in a time of panic almost unequalled in the history of any country. These are the only share transactions the directors have entered into, having always refused to meddle with 'time-bargains' or speculation in your own shares, both which transactions have caused the ruin of so many companies in Bombay. The other item which needs explanation is that of 'local bills discounted.' This represents all advances made by the company; and the directors are glad to be able to inform you that very nearly the entire amount of Rs. 3,18,000 is covered by securities sufficient to clear them, even if realised at present rates; and the unsecured balance is granted to such men that recovery is undoubted. So the directors do not anticipate any loss whatever on this account. The other items of the balance do not need any explanation, as each shareholder can easily understand them. It is only necessary to add that no persons whatever have any claims against the establishment, the deposit account being merely nominal, and loans have never been contracted. Upon the stagnation of business the expenses were reduced as much as possible, and everything was done that economy could suggest to lessen the outlay. The directors further state that they should have been able to show a much more favourable result but for being effectually paralysed by the small amount of paid-up capital at their command. They did intend to make further calls on the shareholders immediately after commencing business, but the unusual distress which affected all classes at that time, effectually prevented the possibility of such a course; but notwithstanding this difficulty, the directors feel assured that the shareholders will consider the position of the company very favourable indeed when contrasted with that of the other institutions in Bombay of the same nature."

The meeting was then adjourned till August 31st.

LONDON AND AUSTRALIAN AGENCY COMPANY.

THE London and Australian Agency Company, Limited, has been announced, and it proposes to carry out very important operations. The capital sought to be raised is £1,000,000 in 50,000 shares of £20 each, the first issue being 30,000 shares. Of this issue 6,000 shares have been apportioned to the vendors, leaving 24,000 for allotment to the public. The business intended to be taken over is that of Messrs. J. H. Clough and Co., of Melbourne, who have for years possessed a recognised position as pastoral agents, and transacting a most extensive business with flock and station proprietors throughout Australia. Operations are commenced with a guaranteed profit of £30,000 per annum; i.e., the vendors guarantee to forfeit so much of the purchase-money of their goodwill should they fall short of making such profit. It is stated that the purchase has been effected on the basis of prospective as well as retrospective profits. The sources of these are fivefold—viz., interest on money advanced; second, commission on money advanced; third, commission on wool sold by weekly auction; fourth, the charge for storing all wool; fifth, the difference between the cost of borrowing money here and lending it at the colonial rate. Arrangements have been made for guaranteeing a dividend of 10 per cent. for three years, and the vendors have also agreed to place their services at the disposal of the company for the same period, to co-operate with the manager, who will be appointed by an act under the direction of the board in London. The qualification of each director is fixed at £4,000, at least, to be held by him in his own right in the shares of the company.

NEW ISSUE OF ERIE RAILWAY BONDS.

THE issue of £800,000 sterling bonds of the Erie Railway Company was announced on the 22nd September. They are introduced through Messrs. J. S. Morgan and Co., and bear interest at the rate of 6 per cent. per annum in bonds to bearer of £100 sterling each, at the price of £75; redeemable at £100 at the end of ten years. The principal and interest will be payable in sterling money in London, free from all federal or state tax; £5 per £100 bond is payable on application, and £5 on allotment, the remaining instalments spreading over from the 28th October to the 15th of January next. Taking into account, in addition to the annual interest, which commences from the 1st of September, the payment off of the principal of the bonds at par in 1875, and the deferred period for the instalments, the return to the subscribers will be equivalent to about 10 per cent. per annum upon the issue price, viz., 75. Subscribers have the option of paying the full amount in advance upon any of the dates fixed

for the instalments, and upon such payments discount at the rate of 5 per cent. per annum will be allowed. Upon payment of the allotment money scrip certificates to bearer will be issued to the subscribers, which will be exchanged for the definitive bonds as soon as possible after the payment of the whole amount of the subscription. Where no allotment is made the deposit will be returned in full, without deduction. The amount of the loan authorised by the railway company was £1,000,000, but it appears it is doubtful whether the remaining £200,000 will ever be sent out, and it will not in any event be issued before the 16th of September, 1866. The traffic of the route shows a large increase, which is mainly due to the development of the resources of the district, to the numerous coal, iron, and oil companies recently brought into operation, and to the opening of the Atlantic and Great Western Railway, which has proved a great success.

TENDERS FOR BILLS ON INDIA.

THE biddings for bills on India took place on the 6th September, at the Bank of England. The proportions allotted were—to Calcutta, 13,46,000 rs.; to Madras, 90,000 rs.; and to Bombay, 10,00,000 rs. The *minimum* price was as before, 1s. 10½d. on Calcutta and Madras, and 1s. 10¾d. on Bombay. Tenders on Calcutta and Madras at 1s. 11¾d. will receive in full, and on Bombay at 1s. 11¾d. about 72 per cent.; above these prices in full. Further biddings for 20,00,000 rupees in bills on India took place on the 20th September. The proportions allotted were—to Calcutta, 10,51,000 rs.; to Madras, 1,49,000 rs.; and to Bombay, 8,00,000 rs. The *minimum* price was as before, 1s. 10½d. on Calcutta and Madras, and 1s. 10¾d. on Bombay. Tenders on Calcutta and Madras at 1s. 11¾d. will receive about 47 per cent., and on Bombay at 1s. 11¾d. about 49 per cent.; above these prices in full.

Communications.

To the Editor of the "Bankers' Magazine."

PRACTICE WITH REGARD TO BRANCH BANK CHEQUES.

Wells, 5th September, 1865.

Sir,—You state in your current number that you are not aware of any such case as that described by your correspondent "Y," having formed the subject of a judicial decision.

I beg to refer you to *Woodland P. O. v. Fear*, 26 Law Journal (Queen's Bench) 202, where a precisely similar case was decided in a most satisfactory and conclusive manner.

The facts of this case were these—A person named Hellier drew a cheque upon the branch of Messrs. Stuckey's Banking Company, at Glastonbury, where he kept an account and paid the cheque to Fear, who cashed it at the Bridgwater branch of the same establishment.

The cheque was duly forwarded to the Glastonbury Bank and returned from thence unpaid. Due notice of the dishonour was given to Fear, and ultimately an action brought against him to recover the amount, which the Court decided in favour of the Bank.

As this is a question vitally affecting Country Banks with branches, I beg to refer your readers to the Bankers' Magazine of 1857, page 724, where there is an article on this subject, and a full report of the judgment of the Court of Queen's Bench on the case I have alluded to.

Your obedient servant,
H. G. MARSHALL.

CHEQUES THROUGH THE POST.

SIR,—The opinion expressed in your July number (page 888), viz., that a banker receiving a cheque through the post, may hold it over till the following day before returning it, has been questioned by bankers of experience, both in town and country.

It is stated that remitting through the post a cheque to a banker on himself, is tantamount to presentation over the counter, and that the banker is legally bound to pay or return the same day.

The practice with us has been the contrary, and I shall feel obliged if you will kindly favour us with your reasons in full, quoting any cases bearing on the subject.

Yours truly,
W. C.

15th August, 1865.

[All the decisions appear to confirm the opinion given in our July number. In "Byles on Bills" 8th edition, pp. 19, 20, it is stated, "If the party receiving a cheque do not live in the same place with the drawer, he should send it to his banker, or other agent, by the next day's post, and they should present it on the day after they have received it." Again, "If it so happen that the drawer of the cheque, is the banker of the holder as well as of the drawer, no promise by the banker to pay the cheque will be implied by his receiving the cheque from the holder, without observation, and keeping it till the following day; for *prima facie*, he will be taken to have received it as the holder's agent." A perusal of the judgment in the several cases referred to by Byles, will show that the opinion of the judges was that a banker receiving a cheque drawn upon himself, whether through the post or from a customer for his credit, is not bound to return it, if unpaid, until the following day.]

CHEQUES SENT ABROAD.

Leeds, September, 1865.

SIR,—Will you be so good as inform me if a cheque for £5, or under, drawn here and circulated abroad, requires a penny foreign bill stamp, in addition to the stamp on which it is drawn.

Your obedient servant,
G. L.

[By Act 27 and 28 Vict., c. 56, s. 2, it is provided that any bill of exchange payable on demand, which shall be endorsed, or purport to be endorsed, out of the United Kingdom, wheresoever drawn, shall be deemed a foreign bill of exchange, and chargeable with the same amount of stamp duty as on an inland bill of exchange payable otherwise than on demand.]

CROSSED CHEQUES.

London, Sept. 23rd, 1865.

SIR,—A gentleman paid into his credit at his banker's at the West End (a branch of a City bank in the Clearing) a cheque for £100, drawn upon a City bank. The cheque was crossed with the name of the bank through which it was to pass, and was presented through the Clearing for payment. In due course the cheque was returned to the West End branch bank, marked "not sufficient." The West End branch returned it to its customer. After the lapse of a day or so the customer wrote a note to the manager of the branch (enclosing the dishonoured cheque) and requested him to present it again for payment without delay. The West End manager accordingly took the cheque to the bank upon which it was drawn and requested the manager to cash it, or "mark it for payment," if he was then in funds. This request was refused, with the answer from the City manager "that as the cheque was crossed it must go again through the Clearing House; that a cheque once crossed, although dishonoured, was always crossed, and that neither cash nor answer could be given to any private person nor the banker to whom crossed, except through the Clearing House."

Will you, Sir, kindly say in your next impression whether you consider the crossing still holds good and can be insisted upon after the cheque has been dishonoured and returned to the customer. Has not the intention of the maker of the cheque been carried out by its having once been presented by the banker to whom he has crossed it? Has not the crossing directed the cheque through the intended channel and done its work? As the crossing on a paid cheque is of no further use than to show the channel through which the cheque was presented and paid, so, it appears to me, the crossing of a dishonoured cheque ought to be of no further use after it has conducted the cheque to the point where it would have been paid had there been funds to meet it.

I am, Sir,

Your obedient servant,

H. B.

[By the letter of the Act 21 and 22 Vict., c. 79, a crossed cheque can only be paid through a banker; but it certainly appears to us that the first presentation should exhaust the effects of the crossing and that a dishonoured cheque, upon being re-presented, should be considered as payable to any holder, although it may have been crossed.]

CASHING OF CHEQUES.

SIR,—With reference to the letter of your correspondent "Y" in the September number of your magazine, will you allow me to state a case which came within my own experience a few years ago.

I was then manager of a branch bank, at which a cheque was cashed, drawn on another branch of the same bank by a person who was in the habit of changing cheques with me though he kept no account.

The cheque was duly forwarded for payment and returned dishonoured. The fact was at once communicated to the person of whom it had been received, and application made for re-payment of the amount. After some delay he denied his liability and I was obliged to place the matter in the hands of our solicitor, when to my intense surprise I was told the bank had no power to insist on repayment, as the cheque, having been cashed by

the bank on which it was drawn, although not by the particular branch to which it was addressed, was "satisfied," and the affair as much settled as if it had been paid in there. At first this interpretation of the law was considered false and absurd, but further inquiry seemed to prove clearly that this was not the case, and proceedings were consequently abandoned.

Yours obediently,
W. J. A.

THE FUTURE PROSPECTS OF FINANCE.

At the last moment, the 28th of September, the directors of the Bank of England have increased the rate of discount from 4 to 4½ per cent. ; although, from the strain for money the last few days, it was imagined that the court would have to support the terms for capital, it was hoped, in the face of the early payment of the dividends and the release of the deposits on the Brazilian loan, that the supply would have become better.

The full subscription to the Brazilian loan, and the payments upon the Erie £800,000 debentures, have in a partial degree affected the general market the last week or ten days. At the same time, however, business has assumed a much brisker appearance. Not only in London, but also in Manchester and Liverpool, operations have been entered into on a most extensive scale, which have temporarily quite changed the aspect of things. The produce markets in Mincing Lane have been firmer, with a rise in prices, and the tendency in other respects has been favourable.

But it is at Manchester and at Liverpool where the great activity has been manifested, particularly at Liverpool, and if it is not checked a little, it may eventually become a source of embarrassment. Cotton and corn have been largely adventured in, and an improvement has been going steadily forward in both of these articles for some time past. Cotton has experienced an important jump, and the speculation recently has been of such a rabid character, that it has threatened to verge into an excitement equal to that witnessed two years ago. If these symptoms should make further progress, and Liverpool and Manchester become once more the centre of this kind of gambling, a short period of dear money will entail a reaction, and the consequences may prove as serious as those encountered in October and November last. We trust we are not going to pass through any stringency during the last three months of the present year, and for the moment the indications are not sufficiently startling to create any apprehension. The safest way, nevertheless, to avoid shoals and quicksands of the sort, will be

to discourage speculation, whether in Liverpool, Manchester, or elsewhere; and everyone will be bound, in justice to himself or his neighbour, if he sees anybody going too fast, to interpose a word of caution or advice for the general good.

No doubt our trading relations are in a more healthy position than they were; that the pacific policy of President Johnson has assisted to stimulate business, not only with the North but also with the South; and that a revival of industry throughout the American States will cause large orders to be given over the length and breadth of the United Kingdom. These will greatly assist to invigorate the condition of our commercial transactions, and in the end leave profitable results. The introduction of new loans and new projects may be tolerated to a certain extent, and besides those already announced there are others to follow; but even such drains upon our resources must not be supported *ad infinitum*, because the Stock Exchange has been suffering for a long time past from the plethora of securities created since 1862.

Nothing can be more certain than that we shall get through 1865 satisfactorily if speculation is not allowed to ride rampant over legitimate business. If that, however, is to be the case, the sooner arrangements are made for another collapse, the better it will be for those who seek to protect themselves by timely preparations. There are numerous mercantile firms who have not got through the dark days of 1864-65 without difficulty, and should they have large losses through any fresh reaction, they will yet have to go by the board, prejudicing themselves and their connexions. A variety of finance and other institutions would also like to see the current year pass unaccompanied by any new financial disturbance, since their position by the lapse of a few months of ease and quietude will be materially strengthened. So, on all grounds, we desire to counsel a repression of active speculation.

Estates of Failed Firms.

THE ESTATE OF MESSRS. SCOTT, BELL & CO.

THERE was a numerous meeting on the 31st August, of the creditors of Messrs. Scott, Bell, and Co., who had recently failed, when the statement presented by Messrs. Coleman, Turquand, Youngs, and Co., showed debts and liabilities placed at £295,780, and assets at £323,517. Great sympathy was expressed for the partners, and it was unanimously agreed to carry out a liquidation under inspection.

THE ESTATE OF MESSRS. JOHN T. BELL & CO.

AN adjourned meeting of the creditors of Messrs. John T. Bell and Co., merchants, 2, Billiter Square, was held on the 7th September, when printed statements of the affairs of the Bombay firm, and also of their native broker, which had been submitted to the creditors there, were laid before the meeting, with certain amendments, as prepared by Messrs. Coleman, Turquand, Youngs, and Co., when it was resolved that the statement containing those amended statements should be forwarded to the inspectors at Bombay and communicated to the creditors there, together with the draft of a deed of inspection prepared in this country, according to the principles of the Bankruptcy Act, which the meeting here invited the Indian creditors to execute.

MONTHLY CHRONOLOGY.

September 4.—The directors of the Bank of Prussia raised their rate of discount to 5 per cent.

13.—Announcement by Messrs. Rothschild and Co. of a new Brazilian loan for £5,000,000 sterling in a 5 per cent. stock at the price of 74, with a sinking fund of 1 per cent., to be brought into immediate operation.

22.—Messrs. J. S. Morgan and Co. announced the issue of £800,000 sterling bonds of the Erie Railroad Company, to bear interest at the rate of 6 per cent. per annum, in bonds to bearer of £100, at the price of 75, to be redeemable at £100 at the end of ten years.

25.—Intelligence received that the Greek government had contracted a loan of £140,000 with the Ionian Bank at 7 per cent. interest, the principal to be reimbursed in fifteen years by monthly deductions from the customs revenues of Corfu, Cephalonia, and Zante.

28.—The Bank directors raise the rate of discount from 4 to 4½ per cent.

BANKING OBITUARY.

On the 29th of June, lost on his passage from Hong Kong to Foochow, in the P. and O. Company's steamer, Corea, Mr. Henry Noble, manager of the Agra Bank.

On the 12th September, at Heathfield Lodge, Upper Hornsey Rise, Mr. James Stewart, late secretary of the Bank of England.

On the 22nd September, at Great Cambridge Street, Hackney Road, Mr. William Pawley, late of the Bank of England, in the 81st year of his age.

On the 10th August, at Sydney, New South Wales, Mr. George Kilgour Ingelow, manager of the Oriental Bank Corporation.

BANK MOVEMENTS.

Mr. John Hall, Jun., of the firm of John Hall, Jun., and Co., of No. 1, New London Street, has joined the board of the Albion Bank.

Mr. William Dent, Sen., has joined the board of directors of the Joint-Stock Discount Company, and will occupy the position of chairman.

Mr. G. M. Alberti, of the firm of Oppenheim, Alberti, and Co., has joined the council of direction of the Imperial Ottoman Bank at Constantinople.

The Union Bank of Ireland has opened a branch, under the management of Wm. Macfadin, Esq., at Abbeyleix, Queen's County.

Messrs. C. S. Hanson and G. Tubini, bankers, of Constantinople, have been nominated by the Porte members of the Council of Surveillance of the Grand Livre of Public Debt of the Ottoman Empire, in accordance with Article II. of the Law of the 29th of March last.

The directors of the Delhi and London Bank, Limited, have declared an interim dividend of 9 per cent. per annum for the half-year ending 30th June, 1865.

The British and Californian Banking Company, Limited, have announced an *ad-interim* dividend of 4s. per share for the half-year ending the 30th of June.

The Merchant Banking Company of London, Limited, has declared an interim dividend of £1 per share upon the old shares, and 1s. 6d. per share upon the new shares (equal to 8 per cent. per annum).

It has been announced by the liquidators of the East of England Bank that a third dividend of 2s. 6d., making, with the former payments, 17s. 6d. in the pound payable to the creditors.

TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month and seven months ended the 31st July, were issued on the 31st August, and must be regarded as of a more favourable character than those presented for the past few months. Although the value of the exports is rather below that of the corresponding month last year, still the difference is but slight, and tends to show that the trade of the country is increasing, and that commerce is in a sound condition. The total declared value of exports for the month of the present year was £14,113,410 against £14,394,364 in 1864, and £13,648,840 in 1863, which is a decline as compared with the former period of £280,954, but an increase over the latter of £464,570. For the seven months of the present year the total declared value was £88,242,048 against £92,441,950 in 1864, and £75,663,037 in 1863, which show a decrease of £4,199,202, compared with 1864, and an increase of £12,579,011 contrasted with 1863. The chief changes have been an increase in the exportation of alkali, gunpowder, beer and ale, coals and culm, cotton yarn, cotton manufactures, haberdashery and millinery, hardware and cutlery, linen manufactures, metals, seed oil, silk manufactures, and woollen and worsted manufactures. But there has been a decrease in linen yarn, machinery, thrown silk, wool, and woollen and worsted yarn. In imported articles the increase has been in raw cotton, flax and hemp, guano, flaxseed and linseed, tallow, cocoa, coffee, spirits, unrefined sugar, tea, and tobacco. And the falling off in leather manufactures, paper, raw silk, wool, woollen manufactures, and wine. With respect to cereals there has been an increase in the importation of barley, oats, beans and Indian corn,

with a decrease in wheat, peas, and wheat meal and flour. In the case of provisions an increase is shown in the importation of all descriptions, with the exception of lard, in which there has been a large decline. The annexed tables exhibit the alteration in the chief articles enumerated:—

Exports.

	1864.	1865.
Coals and culm tons	761,496	881,635
Cotton manufactures yards	148,980,311	172,134,196
Cotton yarn lbs.	8,322,915	10,941,783
Haberdashery and millinery .. value £	408,738	447,909
Linen manufactures yards	17,034,189	19,787,946
Linen yarn lbs.	4,064,308	3,305,923
Iron, pig tons	43,630	46,216
Ditto, railway "	33,639	43,196
Copper, unwrought cwt.	14,597	21,976
Ditto, sheets, nails, &c. "	54,124	35,373
Oil seed gallons	475,803	938,645
Silk manufactures value £	134,406	136,767
Ditto, thrown lbs.	43,636	17,297
Spirits, British gallons	472,676	203,400
Woollen cloths, &c. yards	2,876,653	2,500,314
Woollen and worsted yarn lbs.	8,965,357	2,940,045

Imports.

	1864.	1865.
Cocoa lbs.	756,446	981,954
Coffee "	9,372,996	14,052,141
Wheat qrs.	2,505,182	2,078,481
Wheat-meal and flour cwt.	315,931	291,434
Cotton, raw "	577,656	585,209
Flax "	215,079	363,024
Hemp "	185,948	187,433
Hides, tanned, &c. lbs.	490,545	571,599
Leather manufactures pairs	691,044	637,316
Butter cwt.	81,154	98,683
Cheese "	55,141	85,963
Flax-seed and linseed qrs.	56,066	86,915
Silk, raw lbs.	453,010	319,438
Silk, thrown "	1,997	373
Silk manufactures "	199,322	191,909
Spirits gallons	827,599	1,167,521
Sugar, unrefined cwt.	1,171,544	1,387,032
Tallow "	40,167	52,420
Tea lbs.	2,917,230	4,651,677
Tobacco "	2,252,237	6,804,011
Wine gallons	1,451,806	1,196,093
Wool lbs.	81,579,687	26,378,140
Woollen manufactures... .. value £	228,824	144,408

THE INLAND REVENUE.

THE Board of Inland Revenue have the good fortune to be able to state, in their report for the financial year ending with March, 1865, that notwithstanding a loss of £1,200,000 by repeal of taxation, the inland revenue collected was greater by £161,000 than in the previous year. The revenue from home-made spirits, £10,176,731, showed an increase of £484,216, and the number of gallons consumed as beverage in the United Kingdom, £20,369,844, an increase of £946,398. This is an unequivocal testimony to the prosperous condition of the labouring classes. Those who take alarm at an increased sale of intoxicating liquors must remember that, notwithstanding the increase of population, the quantity consumed is now very considerably less than it was some years ago before the duties were raised. The year 1852 was the last before those alterations in the rates of duty commenced, which terminated in 1860 in a uniform rate of 10s. throughout the kingdom. The consumption in 1852 was nine-tenths of a gallon per head of population, but the present consumption is little more than six-tenths of a gallon per head, and yet there is an increase of nearly £4,000,000 in the revenue. If we include the foreign and colonial spirits consumed the quantity is still almost a gallon and one-tenth per head in 1852, and not quite nine-tenths of a gallon in 1864. Of wine the consumption has risen in the same period from '23 of a gallon per head to '38, and of beer from '6 of a barrel to '7. These facts show the tendency towards the substitution of milder stimulants for ardent spirits. Comparing still the years 1852 and 1854, the consumption of beer in England will be found to have increased nearly 12 per cent.—viz. from '85 of a barrel per head to '95; in Scotland, 60 per cent.—viz. from '20 of a barrel to '32; in Ireland, 122 per cent.—viz. from '09 of a barrel to '20. Illicit distillation has decreased in Great Britain in the last year, but has increased in Ireland, the cases there arising to 3,452 in number. The smuggling in Ireland is concentrated in the poorest districts—Donegal, Sligo, Galway, and Mayo; and the consumers are those who are too poor to buy the duty-paid spirit. The quantity of malt made last year reached 48,538,412 bushels, again showing an increase. Foreign barley has been used for malting to an unusual extent, not merely on account of the inadequacy of the supply of English barley, but also because the colour or quality of some of the foreign barleys recommend them to the brewers of a certain class of ales. 28 persons made entry of malthouses for making malt duty free to be used in feeding animals under the Act of 1864. The quantity made was 10,705 qrs., but only 8,748 qrs. were mixed with linseed and delivered for consumption. Of the remainder part was placed in store, and part allowed to be used for brewing on payment of the duty. Several of these maltsters have given notice that it is not their intention to make cattle-feeding malt

again, and it seems probable that less than half the original number will continue at work. But it must not be supposed that this is owing to excise restrictions. On the contrary, the great majority of the gentlemen engaged in this manufacture acknowledge that they had nothing to complain of on that score, and the objections which were made by the few who were dissatisfied were directed against the regulation requiring that the mixture should be ground to a degree of fineness which has since been considerably modified. The entire net produce of excise duties in the year was £19,409,636—an increase of £1,000,529 over the previous year.

Stamps produced £9,531,974, an increase of £219,058. So far as the board can judge from the returns, the estimate given by some of the principal insurance offices that stock-in-trade was about one-third of the property insured against fire was a very fair one. A letter in *The Times* in the autumn of last year, complaining of the operation of the Legacy Duty Acts, elicited others of a similar kind, and produced an impression that either the law or the administration of it by this department was unjust and oppressive. Complainants were invited to state their grievances to the Treasury or to the Chancellor of the Exchequer, and, consequently, in addition to some of those who had publicly, but anonymously, expressed their dissatisfaction, several others came forward to claim a hearing. As the Board of Inland Revenue have received instructions to report generally on the operation of the legacy and succession duties, they refrain at present from any discussion of the subject. They remark that much of their time is occupied in adjudicating penalties on unstamped instruments. Of ordinary deeds thus brought to their chief office for completion there seems to be a gradual increase. This no doubt arises in a great measure from the general increase in the number of deeds, consequent upon the growth of railroads, the rise in value of landed property, and the prosperous condition of the country; but it may also be attributed to a practice which is extending itself among country solicitors of having their deeds engrossed by law-stationers in London, who are careless or uninstructed as to the stamp. It is suggested that solicitors should bear in mind that every deed, in strictness of law, ought to be stamped not only before execution, but before its engrossment, and if they paid proper attention to this requirement they would avoid the penalties which they now so frequently incur.

Passing by the land and assessed taxes, which produced in the year a net sum of £3,287,934, being an increase of £57,880, we come to the property and income tax, which, being reduced from 7d. to 6d., showed a decrease of £1,116,221, and produced £7,985,773. The estimate for the year was based on the very liberal calculation of a yield equivalent to £1,230,000 for each penny of tax, much more than was warranted by the actual receipts in former years, but about what might fairly be anticipated from the new assessments in 1864, under schedules A and B and the general progress of the country. It appears, therefore, from the excess of £180,000 over this sanguine estimate, that the improvement upon the assessments of former years is very remarkable. The mere account of the produce of the tax does not represent the assessments of the year, because it is composed of nearly one-third of the tax from the previous year's assessment, and two-thirds of the tax of the year in question. When there has been an alteration in the rate of the tax, it is of course still more difficult to arrive at any conclusion, from the accounts of the receipt within the year, as to the effect of the alteration. But it is certain that in many districts the amount of duty both under schedule A and schedule D is greater than

it was when the tax was at 7d. in the pound, and this remarkable improvement has shown itself in Ireland as well as in Great Britain. So far as schedules A and B are concerned this result is attributable in no small degree to the care and judgment with which the assessments were made on this occasion by the surveyors, acting under special instructions from the Inland Revenue-office. The valuations under the Union Assessment Act were also of great assistance, especially in the case of land in the occupation of the owner, where the former unsatisfactory parochial rating to the relief of the poor was the guide on which the officers chiefly relied. The same Act has likewise furnished a much higher valuation on a description of property most difficult to assess fairly—the houses of country gentlemen.

Monetary Intelligence.

MONETARY REVIEW FOR THE MONTH OF SEPTEMBER.

GREAT sluggishness has prevailed throughout the month both in finance and trading affairs. It is only at the last moment that there is any prospect of revival; symptoms of returning activity, however, are visible, and the apprehension is that speculation may perhaps be too freely encouraged. The end of the autumn and the whole of the winter trade should be good, seeing the late favourable weather and the moderate rates of discount which have recently ruled. The advance of $\frac{1}{2}$ per cent. just made in the Bank official *minimum* will create no pressure, though always, at the termination of the quarter, there is a greater inquiry for capital to meet revenue and other payments. The Bank rate being $4\frac{1}{2}$ per cent., the bill-brokers charge $4\frac{1}{2}$, and the joint-stock banks work at $4\frac{3}{4}$ per cent.

The tendency in the market for English securities has been unfavourable. A fall has followed the cessation of the government purchases, and the introduction of the Brazilian Loan has caused sales to be effected to take up that stock. No large transactions in other respects have ensued. The Exchequer bill market has been in a quiet state.

Foreign securities show no great change. Attention has been much directed to the Brazilian scrip, which from $1\frac{1}{2}$ pm. has gone to $3\frac{3}{4}$ to 4 pm., and is expected to be higher. Turkish has remained quiet, and the operators manifest no desire to push transactions. Mexican has recovered, but after reaching 27 has gone back to $26\frac{1}{2}$. It is said the National Bank of Mexico is about to be introduced. Spanish presents a slight increase of firmness. Most Federal securities have advanced; but the Confederate loan remains dull, and is now thoroughly repudiated.

Railway shares have been latterly rather stronger, but business has not been so active as it was last month. The principal speculators have been out of town.

Bank, finance, and credit shares have been fairly supported, and there is a gradual tendency to improvement. The buyers have taken the leading descriptions, because they believe in better dividends. A large amount of stock has been recently absorbed.

The produce markets have generally revived. An increased business has been concluded in sugar, tea, and coffee in London; and there has been great animation in cotton at Liverpool.

THE GRAIN TRADE.

The grain markets have exhibited considerable fluctuations during the last few weeks, as is usually the case at this period of the year, when the state of the weather exercises so much influence on the results of the harvest. The few wet days which occurred a short time since, caused the price of wheat to advance materially, but the subsequent brilliant and hot weather dissipated all ideas that might have been entertained with regard to the state of the crops, which, on the whole, have been well got in, and the samples which have since been brought to market have generally proved in excellent condition. The yield of most cereals is considered to be of about a fair average, consequently prices have again receded to very nearly the extent of the previous advance. At the present prices, however, the markets are firm, the latest official average quotations being—wheat, 42s. per qr.; barley, 30s. 2d. per qr.; and oats, 20s. 10d. per qr.

The *Gazette* returns for England and Wales have been :—

Week ending, 1886.	Wheat. Qrs. sold.	Weekly Average.	Duty.	Corresponding Week Last Year.
		s. d.	s. d.	s. d.
Aug. 26	48,026 ...	45 4	1 0	43 7
Sep. 2	51,742 ...	46 7	1 0	43 5
" 9	60,834 ...	46 0	1 0	43 3
" 16	62,441 ...	44 7	1 0	42 4
" 23	69,988 ...	42 0	1 0	42 0

The importations since the harvest of 1864 have been :—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Fifty-seven weeks ended 19th Aug....	20,323,212	27,562,456	47,885,668
Five weeks ended 23rd September ...	2,342,982	2,911,711	5,254,693
	22,666,194	30,474,167	53,140,361

And the weekly averages have been :—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Fifty-seven weeks ended 19th Aug. ...	356,000	484,000	840,000
Five weeks ended 23rd September ...	468,000	582,000	1,050,000
	More 112,000	98,000	210,000

STATE OF TRADE.

The state of trade is generally better, and the mercantile community believe in an improvement throughout the remainder of the year.

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February and August, instead of as formerly in May and November. This has been rendered necessary by the great increase of the Meetings of the Banks and Discount Companies, which will be always carefully collected in the pages of the *Bankers' Magazine*. We shall also give the proceedings of the various Credit and Finance Companies as they are more or less associated with banking, so that our subscribers and readers can refer to them without difficulty. Correspondents will please forward communications addressed to the Editor, No. 8, Birchin Lane; subscriptions and orders as usual to Messrs. Groombridge and Sons, Paternoster Row; Messrs. Waterlow and Sons, Carpenters' Hall, London Wall. **BANKING AND FINANCIAL ANECDOTES.**—It will be perceived from notice elsewhere, that the Editor of the *Bankers' Magazine* is collecting and arranging a series of Banking and Financial Anecdotes. Any contributions from subscribers and readers of the *Magazine* will be thankfully received, particularly if the subject-matter shall not have previously appeared in print. Notices personal or offensive will receive publicity.

BANK OF FRANCE.

DEBTOR.

	Aug. 31.		Sept. 7.		Sept. 14.		Sept. 21.	
	Fr.	C.	Fr.	C.	Fr.	C.	Fr.	C.
Capital of the Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
Profits in addition to Capital (Art. 8, Law of June 9, 1857) ...	7,044,776	2	7,044,776	2	7,044,776	2	7,044,776	2
Reserve of the Bank and its branches ...	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
Reserve in landed property ...	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
Notes in circulation ...	916,501,325	0	849,749,975	0	650,146,625	0	841,087,735	0
Bank-notes to order and receipts payable at sight ...	9,564,394	57	8,955,167	23	7,795,102	69	7,539,669	93
Treasury account current, creditor... ..	156,906,534	80	155,029,740	55	164,817,774	96	170,002,285	1
Current accounts, Paris	163,635,138	75	159,232,379	48	173,067,871	24	166,395,441	9
Do. branch banks ...	28,446,712	0	26,506,456	0	27,920,108	0	28,235,619	0
Dividends payable ...	1,742,456	75	1,624,321	75	1,548,787	75	1,453,359	75
Discounts and sundry interests ...	4,397,707	56	4,867,726	36	5,307,615	67	5,641,464	33
Re-discounted the last six months ...	1,427,623	17	1,427,623	17	1,427,623	17	1,427,623	17
Surplus of receipts not distributed ...	752,993	36	752,993	36	752,993	36	752,993	36
Sundries... ..	9,394,208	15	9,744,442	79	9,412,294	86	9,489,343	93
Total	1,508,669,615	27	1,465,540,351	84	1,457,747,312	86	1,447,774,085	73

CREDITOR.

	Aug. 31.		Sept. 7.		Sept. 14.		Sept. 21.	
	Fr.	C.	Fr.	C.	Fr.	C.	Fr.	C.
Cash in hand and cash in the branch banks	496,978,020	67	503,716,344	37	499,234,478	7	499,913,699	33
Commercial bills overdue ...	572,448	23	632,841	4	230,460	62	2,805,561	42
Commercial bills discounted, not yet due	332,560,620	76	289,159,977	67	291,839,631	98	276,247,967	95
Do. branch banks ...	305,111,633	0	296,442,672	0	299,250,743	0	301,639,300	0
Advances on deposits of bullion ...	53,115,373	25	54,439,086	15	47,827,566	15	43,147,766	15
Do. branch banks ...	11,902,000	0	12,094,900	0	12,743,600	0	12,606,300	0
Do. on French public securities ...	14,675,700	0	14,429,100	0	14,151,400	0	13,951,100	0
Do. by the branch banks	10,226,000	0	9,793,300	0	9,545,300	0	9,277,000	0
Do. on railway shares and debentures ...	30,820,800	0	30,723,700	0	30,759,300	0	31,125,300	0
Do. by the branch banks	21,078,680	0	21,522,080	0	21,551,875	0	21,798,975	0
Do. on Crédit Foncier bonds ...	568,600	0	653,700	0	647,800	0	687,500	0
Do. branches ...	498,150	0	509,150	0	490,250	0	463,550	0
Do. to the State (Convention June 10, 1857)	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
Government stock reserve ...	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14
Do. disposable ...	36,567,487	91	36,546,487	91	36,546,487	91	36,546,487	91
Rentes Immobilières (Law of June 9, 1857)	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
Hotel and furn. of Bank, and landed property of branches ...	8,426,191	0	8,434,423	0	8,440,244	0	8,440,244	0
Expenses of management ...	1,059,373	49	1,100,299	83	1,146,505	68	1,330,487	83
Sundries... ..	9,447,892	82	12,362,559	73	10,381,221	11	9,675,006	1
Total	1,508,669,615	27	1,465,540,351	84	1,457,747,312	86	1,447,774,085	73

FLUCTUATIONS IN ENGLISH AND FOREIGN STOCKS AND RAILWAY SHARES.

	Price on Aug. 28.	Highest.	Lowest.	Price on Sep. 27th.
ENGLISH FUNDS.				
Consols	89½ to 90	90½	89½	89½ to 90
Exchequer Bills	3/ dis.	2/ pm.	3/ dis.	3/d to 1/ pm
FOREIGN STOCKS.				
Brazilian	99	99	92	92½
Buenos Ayres	—	87	87	87
Chilian	—	103	103	103
Dutch 2½ per cents.	61½	62	61½	61½
Mexican	23½	25½	23½	25½
Peruvian 4½ per cents.	—	76	74	75
Russian	93½	94½	92	92
Spanish	47½	47½	47	47
Turkish 6 per cents.	—	95½	94	95
Ditto 4 per cents.	100½	100½	99½	100
RAILWAY SHARES.				
Brighton	104	107	103½	105½
Caledonian	—	136	129	129½
Great Eastern	46	49½	45½	48½
Great Northern	133½	136½	133	133½
Great Western	66	67½	65½	65½
Lancashire and Yorkshire	119½	122½	119½	121½
London and North Western... ..	126½	128½	124½	124½
Midland	131½	132½	126½	126½
North Staffordshire	—	77½	76½	77
South Eastern	80½	83½	79½	81½
South Western	99	100	96	96
York, Newcastle, and Berwick	112½	113½	110½	111½
York and North Midland	104½	106½	103½	104½
East Indian	103½	104½	103½	104½
Northern of France	—	43½	43	43½

CREDIT, FINANCE AND DISCOUNT COMPANIES.

	Share.	Paid.	London latest Prices.		Share.	Paid.	London latest Prices.
Australian Mortgage, Land and Finance (Lim.)	25	3	2½	Imperial Mercantile Credit (Lim.)	50	5	5½
Consolidated Discount (Lim.)	50	10	5	International Land Credit	20	6	7
Contract Corporation (Lim.)	100	7½	2½	Joint Stock Discount (Lim.)	25	10	10½
Crédit Foncier de Mauritius (Limited)	50	10	8	Land Credit of Ireland	50	5	5
Crédit Foncier and Mobilier of England	20	5	9½	Land Securities	50	5	5
Discount Corporation (Lim.)	100	20	16	London Financial Associa- tion (Lim.)	50	15	20
East India Financial	50	7½	3½	London Mercantile Discount Mauritius Land, Credit and Agency (Lim.)	20	2	4
Egyptian Commercial and Trading	20	4	3½	National Discount Co. (Lim.)	25	5	1½
English and Foreign Credit Financial Discount (Lim.)	50	10	5	Oriental Financial	50	10	5
General Credit and Finance of London (Lim.)	23	4	6½	Ottoman Financial Associa- tion (Lim.)	50	15	5
International Financial Society (Lim.)	20	5	6½	Overend, Gurney & Co. (Lim.) Société Financière d'Égypte (Lim.)	50	11	14
International Contract	50	10	5	South African Mortgage and Investment (Lim.)	50	5	1
				Warrant Finance (Lim.)	50	10	1½

JOINT-STOCK BANKS.

	Share.	Paid.	London latest Prices
	£	£	£
Agra and Masterman's, Limited	50	25	57
Albion	50	10	7½
Alliance Bank of London and Liverpool, Limited ...	100	25	31½
Ditto, issued at 30 pm. ...	100	20	25½
Anglo Austrian Bank ...	20	6	7
Anglo-Egyptian (Lim.) ...	50	12½	13½
Anglo-Italian (Lim.) ...	50	15	11½
Asiatic Banking Corporation, New Shares issued at £15 pm, on which £7. 10s. is paid	20	5	16
Bank of Australasia ...	40	40	76
Ditto, New	40	40	75
Bank of British Columbia...	20	20	2½
Bank of Egypt... ..	25	25	30
Bank of London	100	50	139½
Bank of Otago (Limited) ...	20	9	8
Bank of Queensland, Limited	100	25	21½
British & Californian (Lim.)	50	7½	5½
Bank of New Zealand ...	10	10	16½
Bank of Victoria, Australia	50	25	46
Barnes's Bank (Lim.) ...	50	10	10½
Brazilian & Portuguese (Lim.)	20	10	9½
British North American ...	50	50	46
Chartered Bank of India Australia and China ...	20	20	20½
Chartered Mercantile Bank of India, London & China..	25	25	50½
City Bank	100	50	112½
Colonial Bank	100	25	42
Commercial Bank of Canada	20	20	...
Commercial Bank of India and the East	25	25	29
Consolidated Bank (Lim.) ...	10	4	10
Continental	100	25	...
Ditto, New	100	15	...
Delhi and London Bank (Lim.)	50	25	34
East London (Lim.) ...	50	5	5½
Eastern Exchange ...	20	5	4
English Joint Stock (Lim.)...	25	10	11½
English, Scottish and Aus- tralian Chartered Bank ...	20	20	21½
English and Swedish (Lim.)	50	20	16
European Bank (Limited) ...	50	15	12½
Hindustan, China and Japan, Limited	100	25	20½
Ditto, issued at 2 pm. ...	100	25	21
Ditto, New	100	20	15
Imperial (Limited) ...	100	20	30
Imperial Ottoman	20	10	16½
Ionian	25	25	28
Ionian, New	25	5	4½

	Share.	Paid	London latest Prices
Land Mortgage Bk. of India	20	4	4½
London Bank of Mexico and South America (Limited)	50	15	11½
London Bank of Scotland (Lim.)	100	13	...
London and Brazilian Bank	100	40	45
Ditto, New	20	2½	3
London, Buenos Ayres and River Plate, Limited ...	100	40	53
Ditto, New, issued at 1½ pm.	25	10	14
London Chartered of Australia	20	30	23½
London and County Bank ...	50	20	77
London Joint Stock Bank ...	50	15	50½
London & South African Bk.	20	20	18
London and South Western (Limited)	100	20	19
Ditto, ditto, New	100	17½	16½
London and Venezuela (Lim.)	50	12½	10½
London & Westminster Bank	100	20	16½
Mercantile Bank (Limited) ...	100	25	27½
Mercantile Exchange (Lim.)	50	10	5½
Metropolitan and Provincial Bank, Limited	100	20	16½
Ditto, New	100	15	10½
Midland Bank (Limited) ...	100	20	18
National Bank	50	30	...
Ditto, New	50	25	...
National of Liverpool (Lim.)	100	10	16
National Provincial Bank of England	100	43	...
Ditto, 2d and 3d issues ...	20	12	...
New South Wales	20	20	43
New Zealand Bank Corpora- tion (Limited)	10	1	½
Ditto, New	10	1	...
North Western	20	7½	11
Oriental Bank	25	25	53
Provincial Banking Corpo- ration	50	7½	4½
Ditto, ditto	50	10	7
Provincial Bank of Ireland...	100	25	8½
Ditto, New	10	10	...
Scinde, Punjab and Delhi (Limited)	20	10	7
Ditto, issued at 2 pm. ...	20	5	...
South Australian	25	25	35
Standard of British Africa (Limited)	100	25	16
Do. New, issued at 6 pm.	100	10	5
Union Bank of Australia ...	25	25	55
Union Bank of Ireland, Lim.	100	23	17
Union Bank of London ...	50	15	53½

Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows:—

ISSUE DEPARTMENT.

	1865. Sept. 1.	1865. Sept. 8.	1865. Sept. 15.	1865. Sept. 22.
Notes issued	£ 28,215,865	£ 28,072,140	£ 27,950,400	£ 27,901,985
Government debentures	11,015,100	11,015,100	11,015,100	11,015,100
Other securities	3,634,900	3,634,900	3,634,900	3,634,900
Gold coin and bullion	13,565,965	13,422,140	13,330,400	13,341,965
Silver bullion				
	28,215,865	28,072,140	27,950,400	27,901,985

BANKING DEPARTMENT.

	1865. Sept. 1.	1865. Sept. 8.	1865. Sept. 15.	1865. Sept. 22.
Proprietors' capital	£ 14,553,000	£ 14,553,000	£ 14,553,000	£ 14,553,000
Reserve	3,508,097	3,739,107	3,747,933	3,801,170
Public deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	6,094,785	5,965,710	6,321,640	6,820,960
Other Deposits	14,462,034	14,207,985	13,980,979	13,567,577
Seven day and other bills	534,621	534,273	554,686	534,808
	39,182,477	39,020,085	39,036,237	39,267,424
Government Securities (including Dead Weight Annuities)	10,384,209	10,384,209	10,384,209	10,384,209
Other Securities	21,256,716	21,365,336	21,243,508	21,332,429
Notes	6,617,905	6,370,405	6,555,340	6,672,310
Gold and Silver coin	923,747	900,135	858,170	877,577
	39,182,477	39,020,085	39,036,237	39,267,424

THE EXCHANGES.

	Sept. 1.	Sept. 8.	Sept. 15.	Sept. 22.
Amsterdam, short	11 19	11 19	11 19	11 19½
Ditto 3 months	12 1½	12 1½	12 1½	12 1½
Rotterdam, ditto	12 1½	12 1½	12 1½	12 1½
Antwerp, ditto	25 57½	25 55	25 55	25 55
Brussels, ditto	25 57½	25 55	25 55	25 55
Hamburg, ditto	13 10½	13 10½	13 10½	13 10½
Paris, short	25 25	25 27½	25 27½	25 27½
Paris, 3 months	25 47½	25 47½	25 47½	25 50
Marseilles, ditto	25 50	25 47½	25 50	25 50
Frankfort, ditto	121½	121½	120½	121½
Vienna, ditto	11 25	11 27½	11 27½	11 25
Trieste, ditto	11 25	11 30	11 27½	11 27½
Petersburgh, ditto	30½	30½	30½	30½
Madrid, ditto	47½	47½	48	48
Cadix, ditto	47½	47½	47½	47½
Leghorn, ditto	25 62½	25 60	25 62½	25 62½
Milan, ditto	25 60	25 60	25 60	25 62½
Genoa, ditto	25 60	25 60	25 60	25 62½
Naples, ditto	25 62½	25 62½	25 62½	25 62½
Palermo, ditto	25 62½	25 62½	25 62½	25 62½
Messina	25 62½	25 62½	25 62½	25 62½
Lisbon, 3 months	51½	51½	51½	51½
Oporto, ditto	51½	51½	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard) ...	3 17 9	3 17 9	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0	0 0 0	0 0 0
Silver in Bars (Standard)	0 5 0½	0 0 0	0 0 0	0 0 0

Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

NAME OF BANK.	Author- ised Issue.	AVERAGE AMOUNT.			
		Aug. 8.	Aug. 15.	Aug. 22.	Aug. 29.
	£	£	£	£	£
1 Ashford Bank	11,849	10,132	10,724	11,538	11,620
2 Aylesbury Old Bank	48,461	22,935	23,361	23,517	23,341
3 Baldock and Biggleswade Bank ...	37,223	17,723	18,151	18,461	19,644
4 Barnstaple Bank	17,182	3,351	3,245	3,173	3,326
5 Bedford Bank	34,218	29,675	29,319	28,946	28,672
6 Bicester and Oxfordshire Bank ..	27,090	13,746	13,850	15,165	14,723
7 Boston Bank—Claypons and Co....	75,069	62,748	63,679	62,057	63,583
8 Boston Bank—Gee and Co.....	15,161	10,927	10,730	10,662	10,598
9 Bridgewater Bank	10,028	6,847	6,746	6,553	6,465
10 Bristol Bank	48,277	20,595	20,481	19,905	20,377
11 Broseley and Bridgnorth Bank ...	26,717	16,157	15,817	16,088	15,764
12 Buckingham Bank	29,557	18,717	18,726	20,035	19,848
13 Bury and Suffolk Bank.....	82,362	48,292	50,732	50,921	48,981
14 Banbury Bank	43,457	25,382	26,442	26,159	25,605
15 Banbury Old Bank	55,153	17,234	17,172	17,307	17,821
16 Bedfordshire Leighton Buzzard Bk.	36,829	36,059	35,496	35,216	36,266
17 Birmingham Bk.—Lloyds & Co. ...	38,816	2,173	2,080	2,027	1,989
18 Brecon Old Bank	68,271	43,276	42,806	41,776	42,174
19 Brighton Union Bank	33,794	17,535	17,354	17,779	17,270
20 Burlington and Driffield Bank.....	12,745	10,518	10,925	10,847	10,918
21 Bury St. Edmund's Bank.....	3,201	3,005	2,995	2,858	2,857
22 Cambridge Bk.—Mortlock & Co.	25,744	11,045	10,451	11,313	11,012
23 Cambridge and Cambridgeshire Bk.	49,916	39,011	39,907	39,957	38,911
24 Canterbury Bank	33,671	30,112	29,560	28,815	28,330
25 Carmarthen Bank	23,597	13,627	13,854	14,312	14,634
26 Chertsey Bank	3,436	2,395	2,322	2,507	2,557
27 Colchester Bank	25,082	17,144	17,040	16,961	16,108
28 Colchester and Essex Bank	48,704	29,039	29,423	29,805	28,581
29 Cornish Bank—Tweedy & Co. ...	49,869	24,462	24,010	23,290	21,807
30 Coventry Bank	12,045	4,865	4,697	4,743	4,433
31 City Bank, Exeter.....	21,527	14,159	14,615	14,637	14,654
32 Craven Bank—Alcocks & Co. ...	77,154	66,565	67,461	68,939	69,224
33 Chepstow Old Bank	9,387	7,590	7,673	7,779	7,590
34 Derby Bank—Messrs. Evans & Co.	13,332	9,292	8,816	8,369	8,137
35 Derby Bank—Smith and Co.	41,304	23,305	24,785	24,259	25,342
36 Derby Old Bank	27,237	25,955	26,057	26,382	25,929
37 Devizes and Wiltshire Bank	20,674	6,590	7,024	7,229	7,217
38 Diss Bank	10,657	10,192	9,906	10,368	9,988
39 Doncaster Bank and Retford Bank	77,400	66,678	68,623	68,291	65,736
40 Darlington Bank	86,218	78,546	79,698	79,823	79,282
41 Devonport Bank	10,664	6,750	6,414	5,995	5,980
42 Dorchester Old Bank	48,807	37,983	37,716	38,102	39,853
43 East Cornwall Bk.—Robins & Co.	112,280	75,083	74,464	73,490	74,170
44 East Riding Bank—Bower & Co.	53,392	52,127	50,550	50,929	51,232
45 Essex Bk. & Bishop's Stortford Bk.	69,637	38,261	38,922	38,570	38,079
46 Exeter Bank	37,894	21,747	22,250	21,029	20,170
47 Farnham Bank	14,202	6,006	6,241	5,992	5,870
48 Faversham Bank	6,681	5,957	5,907	5,840	5,260
49 Godalming Bank	6,322	4,624	4,902	4,730	5,025
50 Guildford Bank	14,524	9,947	10,425	10,427	10,706
51 Grantham Bank—Hardy and Co.	30,372	21,527	20,905	19,942	20,581
52 Hull & Kingston-upon-Hull Bank	19,979	21,441	18,751	17,695	16,628
53 Huntingdon Town & County Bank	56,591	30,502	31,347	31,575	31,550
54 Harwich Bank	5,778	5,343	5,160	4,965	4,971
55 Hertfordshire, Hitchin Bank	38,764	32,644	32,858	33,432	32,269
56 Ipswich Bank.....	21,901	17,593	18,256	17,195	16,799

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Aug. 8.	Aug. 15.	Aug. 22.	Aug. 29.
	£	£	£	£	£
57 Ipswich & Needham Market Bank	80,699	51,823	51,875	51,108	50,639
58 Kentish Bank—Mercer & Co. ...	19,895	12,475	12,420	12,431	12,111
59 Kingston and Radnorshire Bank...	26,050	17,303	18,835	19,579	19,361
60 Knaresborough Old Bank	21,825	17,927	17,574	17,588	17,716
61 Kendal Bank	44,663	36,065	36,917	36,575	36,674
62 Longton Staffordshire Bank	5,624	5,078	4,893	4,825	5,206
63 Leeds Bank	53,357	51,739	53,974	53,615	51,829
64 Leeds Union Bank	37,459	37,213	36,936	37,374	36,575
65 Leicester Bank	32,322	21,088	21,008	21,410	21,848
66 Lewes Old Bank	44,836	28,070	27,248	27,406	27,860
67 Lincoln Bank	100,342	79,383	79,814	79,418	76,570
68 Llandovery Bank & Llandilo Bank	32,945	15,739	16,239	18,548	20,524
69 Loughborough Bank	7,359	6,400	6,271	6,180	6,158
70 Lymington Bank	5,038	2,990	3,003	2,985	2,840
71 Lynn Regis and Lincolnshire Bank	42,817	29,416	29,406	29,580	28,230
72 Lynn Regis and Norfolk Bank ...	13,917	11,375	11,187	11,675	11,649
73 Macclesfield Bank	15,760	12,697	12,638	12,565	12,745
74 Manningtree Bank	7,692	5,373	5,370	5,290	5,324
75 Merionethshire Bank	10,906	5,514	5,328	6,114	6,366
76 Miners' Bank	18,688	17,812	18,150	18,753	19,645
77 Monmouthshire Agricultural and Commercial Bank	29,335	26,749	28,013	28,129	27,420
78 Monmouth Old Bank	16,385	4,609	4,322	4,062	4,246
79 Newark Bank	28,788	19,797	20,789	20,337	19,798
80 Newark and Sleaford Bank	51,615	39,657	40,121	40,106	40,479
81 Newbury Bank	36,787	13,865	13,785	13,238	12,540
82 Newmarket Bank	23,098	16,118	15,521	15,192	14,836
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	44,563	45,433	46,025	45,106
84 Norwich and Norfolk Bank	105,519	73,733	74,328	71,630	71,321
85 Nottingham & Nottinghamsh. Bk.	10,866	7,703	8,117	8,067	7,812
86 Naval Bank, Plymouth	27,321	22,235	22,470	21,424	21,450
87 New Sarum Bk.—Pinckneys, Bros.	15,659	7,084	6,751	6,601	6,576
88 Nottingham Bank	31,047	21,054	22,366	22,645	23,008
89 Oswestry Bank	18,471	12,775	11,290	11,177	10,989
90 Oxford Old Bank	34,391	33,528	33,366	32,387	31,685
91 Old Bank, Tonbridge	13,183	9,160	9,435	9,029	8,663
92 Oxfordshire Witney Bank	11,852	8,870	8,997	8,667	8,319
93 Pease's Old Bank, Hull	48,807	44,723	45,390	44,725	42,930
94 Penzance Bank	11,405	8,492	10,326	9,658	8,955
95 Pembrokeshire Bank	12,910	8,201	8,785	9,292	8,992
96 Reading Bank—Simonds & Co....	37,519	25,162	25,614	26,386	25,442
97 Reading Bk.—Stephens, Blandy & Co.	43,271	26,805	27,301	26,196	26,130
98 Richmond Bank, Yorkshire	6,889	6,045	5,833	5,385	5,226
99 Rochdale Bank	5,590	1,909	1,585	1,564	1,427
100 Royston Bank	16,393	9,583	9,082	8,776	8,734
101 Rugby Bank	17,250	8,840	8,851	8,833	8,705
102 Rye Bank	29,864	10,690	10,490	10,070	9,777
103 Saffron Walden & North Essex Bk.	47,646	20,072	20,458	20,333	19,869
104 Salop Bank	22,338	9,030	8,570	8,636	8,713
105 Scarborough Old Bank	24,813	20,296	20,003	19,715	19,936
106 Shrewsbury Old Bank	43,191	29,655	28,354	27,688	27,457
107 Sittingbourne and Milton Bank...	4,789	3,455	3,476	3,230	3,231
108 Southampton Town & County Bk.	18,589	8,690	8,893	8,745	8,595
109 Southwell Bank	14,744	8,672	8,507	8,626	8,556
110 Southampton and Hampshire Bk.	6,770	2,127	2,060	1,944	1,758
111 Stafford Old Bank	14,166	12,105	10,889	9,906	10,792
112 Stamford and Rutland Bank	31,858	14,543	14,669	15,516	15,631
113 Shrewsbury and Welsh Pool Bank	25,336	20,295	19,978	18,969	19,475
114 Taunton Bank	29,799	19,501	20,027	20,376	20,467
115 Tavistock Bank	13,421	10,267	9,599	10,198	9,457

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Aug. 8.	Aug. 15.	Aug. 22.	Aug. 29.
	£	£	£	£	£
16 Thornbury Bank.....	10,026	7,874	7,749	8,331	8,055
17 Tiverton and Devonshire Bank...	13,470	9,751	9,727	9,264	9,415
18 Thrapstone and Kettering Bank..	11,559	11,544	11,786	11,282	11,301
19 Tring Bank and Chesham Bank..	13,531	13,686	13,546	12,466	12,692
20 Towcester Old Bank	10,801	5,731	6,110	6,483	6,367
21 Union Bank, Cornwall	17,003	12,733	13,819	14,299	13,366
22 Uxbridge Old Bank	25,136	8,287	8,064	8,133	8,442
23 Wallingford Bank	17,064	6,298	6,313	5,832	5,575
24 Warwick and Warwickshire Bank	30,504	17,585	17,118	16,810	17,529
25 Wellington Bank, Somerset	6,528	4,914	5,012	4,691	4,168
26 West Riding Bank	46,158	37,851	37,511	37,064	38,335
27 Whitby Old Bank	14,258	13,390	13,485	13,290	13,450
28 Winchester, Alresford & Alton Bk.	25,892	11,691	12,379	11,712	11,005
29 Weymouth Old Bank	16,461	16,902	16,411	16,117	15,433
30 Wirksworth and Derbyshire Bk.	37,602	35,729	35,333	34,115	34,003
31 Wisbeach and Lincolnshire Bank	59,713	33,230	35,357	34,976	34,340
32 Wiveliscombe Bank	7,602	4,039	3,746	3,590	3,875
33 Worcester Old Bank	87,448	46,023	45,310	44,716	44,449
34 Wolverham. Bk.—R. & W. Fryer	11,867	8,205	8,008	9,330	9,654
35 Yarmouth and Suffolk Bank	53,060	34,741	8,878	34,393	34,853
36 Yarmouth, Norfolk, & Suffolk Bk.	13,229	8,539	34,429	8,312	71,715
37 York Bank	46,387	33,411	35,262	35,263	35,186

JOINT STOCK BANKS.

1 Bank of Westmorland	12,225	10,156	9,834	9,997	9,850
2 Barnsley Banking Company	9,563	9,124	9,275	9,208	9,324
3 Bradford Banking Company	49,292	47,439	47,614	49,025	50,805
4 Bilston District Banking Company	9,416	7,873	8,512	8,360	8,864
5 Bank of Whitehaven	32,681	27,515	27,750	28,052	27,660
6 Bradford Commercial Banking Co.	20,084	19,855	20,668	19,775	19,838
7 Burton, Uttoxeter, and Staffordshire Union Banking Co.	60,701	38,662	38,732	39,387	39,692
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	9,126	8,952	9,010	8,64
9 Cumberland Union Banking Co....	35,395	33,401	34,360	35,416	34,690
10 Coventry and Warwickshire Bk. Co.	28,734	15,447	15,652	15,710	15,710
11 Coventry Union Banking Company	16,251	10,504	10,818	10,956	11,237
12 County of Gloucester Banking Co.	144,352	98,243	97,169	97,145	98,880
13 Carlisle & Cumberland Banking Co.	25,610	26,433	25,697	24,769	25,131
14 Carlisle City and District Bank ...	19,972	19,248	19,873	19,866	19,801
15 Dudley & West Bromwich Bk. Co.	37,696	26,763	26,528	27,185	27,558
16 Derby and Derbyshire Banking Co.	20,093	17,422	17,000	17,445	17,285
17 Darlington Dist. Joint Stock Bk. Co.	26,134	22,491	23,307	24,215	23,924
18 Gloucestershire Banking Company	155,920	137,561	139,289	136,445	138,655
19 Halifax Joint Stock Bank	18,534	19,325	17,491	17,795	17,530
20 Huddersfield Banking Company...	37,354	34,608	31,977	31,839	32,728
21 Hull Banking Company	29,333	25,970	28,110	27,993	27,798
22 Halifax Commercial Banking Co....	13,733	12,943	12,994	11,895	12,806
23 Halifax & Huddersfield Union Bk.	44,137	40,470	39,900	40,252	41,815
24 Helston Banking Company	1,503	1,498	1,515	1,512	1,475
25 Knaresborough and Claro Bk. Co.	28,059	24,300	23,405	23,208	24,309
26 Lancaster Banking Company	64,311	52,827	52,995	52,184	53,120
27 Leicestershire Banking Company...	86,060	51,079	48,839	48,362	49,061
28 Lincoln and Lindsey Banking Co..	51,620	46,409	47,415	48,928	47,060
29 Leamington Priors and Warwick- shire Banking Co.	13,875	8,368	8,715	8,502	8,828
30 Ludlow and Tenbury Bank	10,215	8,570	8,650	8,820	8,683
31 Moore & Robinson's Notts. Bank...	35,813	32,310	34,082	32,390	29,257
32 Nottingham and Notts. Banking Co.	29,477	24,550	24,909	24,432	24,451
33 National Provincial Bk. of England	442,371	417,225	415,435	417,042	419,309
34 North Wilts Banking Company ...	63,939	42,352	42,589	42,678	43,471

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Aug. 8.	Aug. 15.	Aug. 22.	Aug. 29.
	£	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	61,315	61,370	62,167	61,596
36 Northamptonshire Banking Co. ...	26,401	20,149	20,790	20,481	19,622
37 North and South Wales Bank.....	63,951	55,765	55,022	55,541	57,642
38 Pars's Leicestershire Banking Co....	59,300	51,423	51,771	49,946	49,666
39 Saddleworth Banking Company ...	8,122	335	335	335	335
40 Sheffield Banking Company.....	35,843	35,834	35,865	35,702	34,807
41 Stamford, Spalding & Boston Bk. Co.	55,721	41,755	41,510	41,452	40,226
42 Stuckey's Banking Company	356,976	288,515	291,010	291,148	292,599
43 Shropshire Banking Company.....	47,951	37,828	39,756	39,575	41,024
44 Stourbridge and Kidderminster Bk.	56,830	50,326	50,481	51,162	49,211
45 Sheffield and Hallamshire Bank ...	23,524	23,884	23,900	23,081	21,780
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	51,990	53,172	52,339	52,134
47 Swaledale and Wensleydale Bank...	54,372	44,538	43,618	43,492	42,759
48 Wolverhampton & Staffordsh. Bk...	35,378	23,835	22,868	23,210	23,573
49 Wakefield and Barnsley Union Bk.	14,604	13,803	14,354	14,229	14,685
50 Whitehaven Joint Stock Bank ...	31,916	22,365	22,843	23,576	23,408
51 Warwick and Leamington Bk. Co.	37,124	23,953	23,702	24,441	23,572
52 West of Eng. & S. Wales District Bk.	83,535	78,714	79,596	83,093	84,150
53 Wilts & Dorset Banking Company	76,162	75,109	77,315	76,808	74,475
54 West Riding Union Banking Co....	34,029	33,008	32,249	33,255	33,569
55 Whitchurch and Ellesmere Bk. Co.	7,475	4,003	4,256	4,410	4,685
56 Worcester City and County Bk. Co.	6,848	5,416	5,127	5,017	4,603
57 York Union Banking Company ...	71,240	69,767	69,934	70,195	70,353
58 York City and County Banking Co.	94,695	85,075	84,883	84,512	84,360
59 Yorkshire Banking Company	122,532	121,816	119,636	121,663	121,785

Irish and Scotch Circulation Returns.

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 19th day of August, 1865.

IRISH BANKS.

NAME OF BANK.	Authorised Circulation.	Average Circulation during Four Weeks ending as above.			Average Am. Gold & Sil- ver Coin held during Four Weeks ending as above.
		£t and upwards.	Under £t.	Total.	
	£	£	£	£	£
Bank of Ireland	3,738,428	1,509,100	990,425	2,499,525	523,965
Provincial Bank of Ireland	927,667	389,043	460,278	849,321	402,062
Belfast Bank	281,611	128,230	287,236	415,466	212,130
Northern Bank	243,440	101,909	236,786	338,695	183,200
Ulster Bank.....	311,076	157,163	174,452	431,615	163,924
The National Bank.....	852,269	591,091	538,300	1,129,291	554,963
TOTALS (Irish Banks) ...	6,354,494	2,876,536	2,757,477	5,634,013	2,040,184

SCOTCH BANKS.

Bank of Scotland	300,485	177,681	320,053	497,734	281,205
Royal Bank of Scotland	216,451	193,272	335,453	528,725	367,702
British Linen Company	438,024	183,036	314,916	497,953	275,473
Commercial Bk. of Scotland	374,880	193,850	360,776	554,626	291,747
National Bank of Scotland..	297,024	165,773	307,959	473,733	233,336
Union Bank of Scotland ...	454,346	198,394	382,747	581,141	241,256
Aberdeen Town and Co. Bk.	70,133	59,332	78,888	138,220	76,184
North of Scotland Bk. Co...	154,319	99,096	111,053	210,150	76,257
Clydesdale Banking Co. ...	274,321	140,175	237,972	378,147	163,654
City of Glasgow Bank	72,921	135,120	219,884	355,004	221,313
Caledonian Banking Co. ...	53,434	24,375	48,310	72,685	36,364
Central Bank of Scotland...	42,933	24,435	37,116	61,551	28,157
TOTALS (Scotch Banks)...	2,749,271	1,594,539	2,755,127	4,349,669	2,394,655

SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	July 29.	August 5.	August 12.	August 19.
7 Private Banks	£4,189,151	£2,843,426	£2,859,084	£2,845,750	£2,824,266
9 Joint-Stock Banks ...	3,226,257	2,740,591	2,745,414	2,750,628	2,756,178
6 Totals.....	7,415,408	5,584,017	5,604,498	5,596,378	5,580,444

Average Weekly Circulation of these Banks for month ending August 19th:—
 Private Banks £2,843,131
 Joint-Stock Banks 2,748,303

Average Weekly Circulation of Private and Joint-Stock Banks ending as above £5,591,334
 In a comparison of the above with the Returns for the month ending July 22nd last, it shows:—
 A decrease in the notes of Private Banks, of £38,962
 A decrease in the notes of Joint-Stock Banks, of 10,959
 Total decrease on the month £49,921

And as compared with the month ending August 30th, 1864, it shows:—
 A decrease in the notes of Private Banks, of £176,445
 A decrease in the notes of Joint-Stock Banks, of 70,474

Total decrease, as compared with the same period of last year £246,919
 The following is the comparative state of the circulation as regards the fixed issues:—
 The Private Banks are below their fixed issues £1,346,020
 The Joint-Stock Banks are below their fixed issues 478,054
 Total below their fixed issues £1,824,074

SUMMARY OF IRISH & SCOTCH RETURNS TO AUGUST 19, 1865.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending August 19, when added together, give the following as average weekly circulation of these Banks during the past month, viz.:
 Average Circulation of the Irish Banks £5,664,013
 Average Circulation of the Scotch Banks 4,340,669

Total Average Circulation of these banks for the past month £10,013,682

On comparing these amounts with the Returns for the month ending 22nd July last, they show:—
 A decrease in the Circulation of Irish Banks £54,414
 A decrease in the Circulation of Scotch Banks 23,068

Total decrease on the month £78,482

And as compared with the month ending August 30th, 1864, they show:—
 A decrease in the Circulation of Irish Banks £456,045
 A decrease in the Circulation of Scotch Banks 153,323

Total increase on the year £809,368

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue... £6,354,404
 12 Banks in Scotland, allowed to issue 2,740,271

18 Banks in all, allowed to issue £9,103,785

The following appears, therefore, to be the comparative state of the circulation:—
 Irish Banks are below their fixed issue £890,481
 Scotch Banks are above their fixed issue 1,800,396

Total above the fixed issue £909,917

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks £2,040,184
 Gold and Silver held by the Scotch Banks 2,394,656

Total of Gold and Silver Coin..... £4,434,840

Being a decrease of £38,259 on the part of the Irish Banks, and a decrease of £13,636 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

CIRCULATION OF THE UNITED KINGDOM TO AUGUST 19, 1865.

The following is the state of the Note Circulation of the United Kingdom for the month ending 19th August, 1865:—
 Circulation of Notes for the Month ending 19th August, as compared with the previous month:—

	July 22.	August 19.	Increase.	Decrease.
Bank of England (month ending Aug. 16)	£21,983,547	£22,178,744	£185,197	—
Private Banks	2,882,083	2,848,131	—	£38,962
Joint-Stock Banks	2,750,162	2,748,303	—	10,959
Total in England.....	27,634,802	27,770,078	185,197	49,921
Scotland.....	4,371,737	4,340,669	—	23,068
Ireland	5,718,427	5,664,013	—	54,414
United Kingdom.....	£37,724,966	£37,783,760	185,197	126,403

The comparison of the month ending August 30th, 1864, with the month ending August 19th, 1865, shows an increase in the Bank of England circulation of £693,089, a decrease in Private Banks of £176,445, and a decrease in Joint-Stock Banks of £70,474; being a total increase in England of £446,170; while in Scotland there is an increase of £153,323; and in Ireland an increase of £456,045. Thus showing that the month ending 19th August, as compared with the same period last year, presents an increase of £446,170 in England, and an increase of £1,055,538 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending August 16th, gives an aggregate amount in both departments of £14,341,312. On a comparison of this with the Return for the month ending July 19th, there appears to be a decrease of £1,433,377; and an increase of £1,538,962 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 19th August was £4,404,840; being a decrease of £51,895 as compared with the Return of the previous month, and an increase of £307,664 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—*Daily Prices from August to September, 1865, inclusive.*

[illegible]

FOREIGN STOCKS.—(*September 27th, 1865.*)

924	Spanish Bonds 3 per Cent.	47
711	Idito 3 per Cent. Deferred	304
87	Turkish 6 per Cent.	98
103	Turkish 4 per Cent., Guaranteed	1004
88	Venezuelan 3 per Cent.	174
384	(Dividends on the above payable in London.)	
85	Dutch 2½ per Cent.	611
404	Idito 2 per Cent. French	97
611	French 3½ per Cent., at Paris	400
mi	27th September 1855	208
	Idito 1 per Cent.	208
...	Brazilian Bonds, 5 per Cent.	
...	Brazilian 4 per Cent.	
...	Buenos Ayres 6 per Cent.	
...	Chilian Bonds 6 per Cent.	
...	Chilian 4½ per Cent.	
...	Mexican 3 per Cent.	
...	Peruvian 4 per Cent.	
...	Portuguese 3 per Cent.	
...	Portuguese Bonds 4 per Cent.	
...	Spanish Bonds, 1852, 6 per Cent.	
...	Idito 4 per Cent.	

RAILWAY SHARES.—(September 27th, 1865.)

COMPANY.	Paid up £	Prices Sep. 31, 1897
Bristol and Exeter	100	97
Caladonian	100	120½
East Anglian	100	104
Great Eastern	100	40½
Great Northern	100	135½
Great South. & West. (Irel.)	100	65½
Great Western	100	67½
Leamington & Warwick	100	121
London and Blackwall	100	104½
London and Brighton	100	103½
London & S.W. (Irel.)	100	104

COMPANY.	Paid up £	Prices Sep. 31, 1897
London & South-Western	100	96
London Chatham & Dover	100	38½
Manchester & Sheffield	100	59½
Midland	100	120½
North British	100	64½
North Staffordshire	100	76½
North Wales	100	50
South Eastern	100	41½
York, Newcastle, & Berwick	100	111
York & N. Midland	100	105½

These closing prices of the above are correct.

The closing prices of the day are marked.

THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

NOVEMBER, 1865.

ADMINISTRATION OF BANKRUPTCY.

MR. MOFFATT has established a claim to the gratitude of the commercial community by the carefully prepared paper on the working of the existing law of bankruptcy, which he read at the recent meeting of the Social Science Association. The evils of which the honourable member for Southampton complains, have indeed been long felt and universally lamented by those who have had the evil hap to be personally interested in the realisation of a bankrupt estate. The proportion of legal and official charges to the sum realised, is an old grievance which is in some degree inseparable from the operation of winding up a suspended and confessedly insolvent concern, by persons, many of whom have no direct interest in a good dividend. But it is not of this that the mercantile public have most reason to be apprehensive. Our great danger arises from the facilities for fraud which recent alterations in the law give; from the means of baffling creditors which they provide, and from the frightful extent to which these two causes appear to be sapping the foundations of mercantile morality, and making bankruptcy rather the "correct thing" for any trader who finds a difficulty in getting on. No one would desire to copy the Roman jurists in making the bankrupt's person, as well as his property, an available asset. Few, very few, would ask for the power to subject the debtor to protracted, or indeed to any incarceration, in the absence of fraud, or such recklessness as almost amounts to it. Even among creditors, there is considerable difference of opinion as to whether the right to go against after-acquired property, should, in all cases, be given. But no one, except those who

benefit by it, can refrain from deprecating the continuance of a system which seems to make integrity a folly, by holding out unlimited inducements to knavery.

That the code established by the Act of 1861 has this effect, is abundantly evident from a comparison of last year's bankruptcy business with that of its immediate predecessors. Making every allowance for local disasters, such as the cotton famine, and for exceptional causes, such as the recent joint-stock mania, it is incontestibly true that the country, during that period, has enjoyed a very considerable amount of prosperity. Yet, since Lord Westbury's Bill became law the number of bankruptcies has been multiplied tenfold. We grant that the abolition of insolvency will account for a great part of this increase, but the same remark will not apply to the amount of assets realised. In 1863, the sum of £699,000 was realised under bankruptcies. In 1864, about £677,000 was obtained from 7,224 bankruptcies. Out of these sums, the officials netted £100,000 in the first year, and £140,000 in the second. What the creditors got may be imagined from the fact that in 6,600 cases out of the 7,224 the petitions were filed by the bankrupts themselves: and that 5,324 of these estates paid no dividend at all, while 848 others yielded less than half-a-crown in the pound. Yet only 80 out of the entire number (a trifle over one per cent. of these pay-nothing people) failed to obtain their discharge from the Commissioners. If it be asked why nearly 7,000 men should proclaim their own insolvency in a single year, we are afraid the reason must be found in the state of the law. If a man commits an act of bankruptcy (such as keeping house, going abroad to evade his creditors, or executing a bill of sale), and his creditors make him bankrupt within three months, the title of the assignees relates back to the original Act, and all those questionable transfers of property which so commonly precede an appearance in the "Gazette" are, or may be, invalidated. But if he takes the initiative and makes himself bankrupt, their title only dates from the day of the petition, because his going into court is supposed to be an entirely voluntary act on his part. This reasoning, the fruit of legal ingenuity, accounts in the most natural, though not in the most satisfactory manner, for the alacrity of debtors to seek the friendly shelter of Basinghall Street at the rate of about twenty-three per working day.

It may be thought that these figures are sufficiently portentous. But our insight into the business of insolvency will be lamentably incomplete if we confine ourselves to the regular and formal issue of fiats by bankruptcy commissioners. By far the greater part of such business is now done by deeds of inspec-

tion, composition and assignment. The first of these was until lately least in favour, possibly because willingness to place the affairs of a business which has got into difficulty, under the constant control of the creditors, was formerly strong evidence of the debtor's *bona fides*. They accordingly represent only £198,000 in 1863 and £600,000 in 1864. But some hitherto undiscovered virtue must have been found in them this year, for in the six months from October to April, they have bounded up at a rate, which if maintained through the year, will reach £10,612,000. Composition deeds come next, standing in 1863, for £373,000; in 1864, for £2,497,000; in the six months of 1865, at the rate of £8,872,000. But the grand new device for paying old debts is the composition deed, which the Act of 1861 made fashionable by its 192nd section; at first, indeed, it was looked upon as coolly as if it had been really a beneficial novelty. But in 1863, the amount of debts represented by these instruments was £1,015,000, and so prompt were defaulting debtors to appreciate the advantages they thereby gained, that the total for 1864 rose to £5,725,000, and while that for the first six months of 1865, if maintained throughout the year, will amount to £13,450,000; making a grand total of within a trifle of £33,000,000 a year, or £106,000 per working day, to which the statutory sponge is applied by means of these deeds of assignment, which offer such facilities for fraud, that Mr. Moffatt thinks all other questionable facilities the law has provided for the bankrupt's special benefit, are fair and honest in comparison! There is no preliminary proof of debts. The trustees are constantly in collusion with the bankrupt. Delays and adjournments *ad libitum* are employed to worry and wear out creditors who refuse to come to any arrangement the bankrupt likes to propose, and the result in most cases is that the fraudulent debtor gets his own way, and makes that particular disposition of his estate which gives him the most plunder and his creditors the least pay. And here again the law steps in to his aid. Though there has been no formal decision on the question, the leaning of the courts is in favour of regarding bankruptcy by deed as bankruptcy on a man's own petition, and as consequently giving his assignees no rights anterior to the date of execution. The only case which favours a different view is one in which the debtor had been made a bankrupt, and had afterwards, at the instance of his creditors, executed a deed in order to save the expense of winding-up in court. This was held to give the trustees under the deed the same rights as assignees in bankruptcy; but the judges expressly guarded themselves against laying down a

general rule, as they went only upon the circumstances of that particular case. The result is that counsel advise a petition in regular form whenever a suspicious-looking sale or transfer has to be set aside; creditors hesitate about incurring the expense, and in the end the bankrupt and those in collusion with him place the creditors at defiance. In memory of these facts, the above noted increase of such deeds ceases to be remarkable.

The repeated failures of bankers, merchants, statesmen, and law reformers to devise a good law of bankruptcy render it rather hazardous to offer opinions or suggestions in that behalf. And we must own we have little faith in some of the remedies propounded by Mr. Moffatt for admitted evils. We cannot see how a chief judge in bankruptcy would have ferreted out the frauds which lie hidden under thousands of seemingly *bonâ fide* instruments, nor how he would have done work for which the Act of 1861 provides no efficient machinery. The appointment of a paid trustee, with power to admit or reject claims, would be an advantage only if he were controlled by a court constantly sitting, before which any dispute could be immediately brought. And his remuneration should be made, not only contingent upon, but increasing with a favourable realisation of the assets, giving bonuses or increased per centages as the dividend progressed towards 20s. in the pound. Where bankruptcy has taken place without fault, the debtor should receive a final discharge from his liabilities; but where there has been neglect or recklessness, and (*a fortiori*) fraud, the creditor's right to sue should be suspended over him *in terrorem* until he has paid the whole amount, or such portion thereof as the commissioner should determine when granting his conditional discharge. We do not join in the laudations which some people seem disposed to bestow on the system pursued in Scotland. We believe that the economy, rapidity, and equity of bankruptcy administration in that country to be very much overrated. "'Tis distance lends enchantment to the view," and overcrowded as our courts are already with ordinary business, we should find a scheme by which questions in bankruptcy might be kept waiting for lengthy trials at *Nisi Prius*, interminable arguments *in Banco*, and inevitable delays on Circuit, would never be endured. What we want is a statutory abolition of all mischievous distinctions between bankruptcy by a man's own act, and by the adverse action of his creditors, and a simplification of procedure. To make effective the law when thus established it should be administered by men chosen from such members of the bar as have a special familiarity with commercial matters. They should be clothed with ample powers, their sittings should be arranged

so that, even in vacation, there should always be one court open, and their judicial functions should include the duty of deciding whether the bankrupt should receive an absolute or only a qualified discharge from his debts and liabilities. Lastly, the men to whom the administration of bankruptcy law is committed, should have the primitive power of police magistrates. For the smaller offences against the commercial code, they should have power to commit summarily, while the more serious cases they should send for trial. The only objection to this is, that the greater knave would have the better chance of escape, and thus the smaller offenders would be punished while their more guilty brethren get off scot free. Whether this consideration ought so far to prevail as to continue the present impunity to all, may be doubtful; but we think we have indicated some of the features which a good Bankruptcy Law should possess, and should be only too happy to see them embodied in the next attempt to legislate upon this difficult, but most important subject.

THE AMERICAN DRY GOODS TRADE THROUGHOUT THE WAR.

THE American dry goods trade has been the sport of various influences throughout the war. The imports were closely scrutinized, the auction room resorted to, the experiment of private sale tested, jobbers trusted and distrusted, buyers courted and turned away, that importers, consignees, merchants and retailers might hold their own against the changes of the war, and the exactions of the Federal treasury. Moreover, there were the panic of 1863 with gold at 171 premium on the 1st of March, and at 140 premium on the 26th of the same month; the panic of 1864 with gold at 181 premium on the 14th of April, and at 166 premium on the 19th of the same month; and the panic of 1865 with gold at 201 premium on the 1st of March, and at 147 premium on the 24th of the same month. The trade, however, still survives. It is, indeed, at the present time, in a hopeful state, old faces from the South having re-appeared, old accounts being adjusted and re-opened on terms as advantageous to the seller as they well can be to the buyer. May nothing happen to prevent the dry goods import values at New York soon reaching the old figures of upwards of \$100,000,000 annually.

The following figures show the total imports at New York for the twelve years before the war:—

1250 *The American Dry Goods Trade throughout the War.*

IMPORTS OF DRY GOODS AT NEW YORK.

	Woolens.	Cottons.	Silks.	Flax.	Miscellaneous.	Total.
1849....	\$11,933,279	\$6,519,972	\$15,295,753	\$4,756,561	\$3,959,210	\$45,514,775
1850....	16,565,016	11,038,595	20,231,034	7,562,941	2,282,437	58,329,823
1851....	15,252,028	11,027,938	23,486,456	6,744,818	4,110,163	60,626,403
1852....	16,172,991	11,339,858	22,944,503	7,103,887	4,644,017	62,304,261
1853....	28,204,146	16,808,353	34,128,519	8,790,135	5,766,964	93,499,066
1854....	21,834,346	15,610,146	27,599,393	7,258,052	5,805,939	78,157,876
1855....	19,157,015	11,274,221	23,478,460	6,924,635	5,963,365	66,802,697
1856....	26,185,825	10,901,185	28,780,519	8,772,322	7,208,592	88,927,453
1857....	24,938,408	17,480,962	27,691,987	6,938,737	6,676,856	82,676,523
1858....	21,124,303	18,567,943	20,381,735	7,008,636	4,914,523	69,098,765
1859....	37,329,041	27,781,264	33,682,647	11,120,484	6,266,052	112,970,944
1860....	34,532,922	17,721,725	34,988,710	7,914,152	6,574,427	101,880,946

To these large import values, the New York trade was reconciled, and those of 1860 were not thought excessive; not in the least exceeding the legitimate and proper wants of trade. In the trade of 1860 there are some points of general interest. The unprecedented consumption of 1859 so greatly stimulated European shipments that the spring trade was supplied early, and with much freeness. Indeed so excessive were the shipments, that the receipts for duties paid at the custom house, in January and February, exceeded those of 1859, for the same months, by no less a sum than \$3,360,000, or 15 per cent. Buyers held back; for they anticipated a deluge of imported articles. Importers in turn became alarmed; the spring trade languished; and ultimately there was a clearance at auction to the extent of \$25,000,000, at an average loss of 15 to 20 per cent. The loss to importers was computed at \$4,000,000. The South bought largely, and the West bought largely, and European shippers received a lesson which just now should be remembered. The New York market to be remunerative to the European shipper must be sparingly supplied, not gorged, because when gorged the goods are literally thrown away. That the South and West bought largely was accidental, and in no way connected with subsequent events, for the election of President Lincoln did not take place for some months after.

The fall trade of 1860 was as profitable as the spring trade was losing. The imports were short \$6,000,000, and there was no enthusiasm betrayed by European shippers. They were not to burn their fingers twice in the same year, in the same market; and the jobbers speedily realizing the character of the situation stepped in and bought up everything at good prices. Of auction sales there were next to none, and such as took place involved no sacrifice. The only let-down the market had was from a large arrival of French worsted and woollen goods, through the withdrawing of the French export bounty to the colonies. But prices were on the whole sustained; even in the eventual absence of any considerable Southern demand. The fall had

The American Dry Goods Trade throughout the War. 1251.

found the South convulsed on the vexed slavery question, and, being beaten at the poll, the intensity of sectional hatred was manifested by the absence from New York of the chief Southern jobbers. They kept aloof from New York, neither buying nor paying for their spring purchases. That the North alone absorbed the imports, shows what it can do in prosperous times without the South. It further indicates the enormous increase which, but for the war, would have taken place in the imports at New York. But for the war the European shipments in 1861 would have been greatly in excess of those during what proved to be the last year of peace.

The following figures show the total imports at New York throughout the war :—

IMPORT OF DRY GOODS AT NEW YORK.

	Woollens.	Cottons.	Silks.	Flax.	Miscellaneous.	Total.
1861....	\$16,720,931	\$7,192,931	\$13,334,411	\$3,580,303	\$2,808,520	\$43,636,689
1862....	25,718,592	8,501,512	11,568,807	7,666,946	2,665,370	56,121,227
1863....	29,703,956	7,913,957	15,534,469	10,381,059	3,731,106	67,274,547
1864....	31,411,965	8,405,246	16,194,080	11,621,831	3,956,630	71,589,752

These are specie, as distinguished from "greenback" values; and the falling off from 1859 and 1860 exemplifies the intensity of the war. It also points to vital questions of deep interest; especially in our own manufacturing districts. The demand for woollens last year exceeded the average wants of all the States before the war; but it chiefly consisted of blanket and clothing stuffs for the Northern armies. It, therefore, was an exceptional demand; one which will not be maintained, and which necessarily suggests dullness and forced idleness among a numerous class of home operatives. Manchester and Glasgow, on the contrary, may anticipate increased demands upon their looms, no matter what the price of fabrics, because last year the manufactured cotton imports of New York were \$8,405,246 against \$17,721,725 in 1860, and \$27,781,264 in 1859. Lyons and Spitalfields will also now be busy; for the normal state of the New York silk imports is 35 per cent. of all the manufactures. Nowhere, in peaceful times, is there such a market for silks as in New York, and while last year the imports were to the extent of \$16,194,080, those of 1860 were of the value of \$34,988,710. Throughout the war calico dresses were much worn, but now they are sure to be put aside. Whether Dundee and Belfast will continue shipping on the same scale as recently is scarcely doubtful. Until the price of cotton falls, flax fabrics will practically be as cheap as cotton fabrics; and among the wealthier Southern families the stock of linen must be short. Of the miscellaneous it is not required to speak.

The trade of 1861 was not profitable. It was a trade of in-

tense distrust ; no man caring to trust his neighbour. Indeed no man cared to trust the government ; and Mr. Chase, had he listened to all advisers and adopted half the schemes submitted to him, would have illustrated the well-known fable. What each and all were eager for, was a command of money, and that they were willing to secure on any terms. Accordingly the importer stood aloof from the jobbers and the trade. He desired money, money only, and designed to have it. For the speedy and sure attainment of his purpose the auction was resorted to. Here goods were, so to speak, realized ; but realized without the remotest reference to cost. For as much as they would bring, they were sold by the hammer, and only when even on such terms the demand failed, the jobbers were again sought and three and four months bills drawn.

The trade of 1862 was the most lucrative of several years. An American writer of repute thus speaks of it : " In 1859 and 1860 the market was depressed with over supplies ; in 1861 trade was light on account of the absence of Southern demand, and the large amounts of money lost which were due from Southern debtors to Northern merchants, and which losses curtailed the credit of merchants. Moreover, the breaking out of the war had induced the greatest caution. But in the spring of 1862 the market improved, and prices which had been ruinously low the year before, now advanced nearer cost, and in some cases left fair profits. At the time for the commencement of the autumn trade money was easy and plenty, the government having issued \$200,000,000 in treasury notes ; and with an abundance of money among the people, trade commenced earlier than usual, and the jobbing trade sought to supply their wants by regular purchases at private sale instead of waiting for the importers to put up their goods at public auction. The wants of the jobbing trade were so large that the private sale market became brisk, and the stock of goods ran short. This imparted firmness to the market, which was increased by the rising values of exchange, and by an advance on goods in Europe which greatly increased the cost of getting out further supplies. With an active demand, moderate receipts, and greatly increased expense in landing new goods, prices began to rise quite early, and continued to rise as exchange and cotton advanced. The demand for distribution exceeding the expectations of the trade, many kinds of goods became scarce. With an active demand, a scarcity of stocks, and plenty of money, it is easy to produce a panic in prices, if we may call a rapid upward movement a panic, as well as a rapid downward movement when it occurs. In the latter part of October, when the demand was most active and prices at the highest

point, the advance on many kinds of desirable goods was as much as 50 per cent. over the lowest point which had been obtained during the two previous years; while on some descriptions it was even greater." But the satisfaction arising from a redundant currency is usually short-lived. The gains of 1862 were more than once distrusted in 1863, and the quiet substantial state of things which existed before the war would have been gladly welcomed back by all. Importers were in turn enriched and robbed by hasty tariff changes; jobbers and others disconcerted in their computations by unforeseen appreciations and depreciations of the precious metals; and mechanics and workmen at times goaded to the verge of treason, because it happened that their nominally high wages were not always sufficient for the purchase of daily bread. Still, it must be confessed, that the poor man was on the whole benefited, partly, no doubt, through his resolute crying out, and that the middle class were also gainers; and necessarily when the middle class and the poor prosper, the rich are not losers. But let it be remembered that the gains of all classes, in the peculiar circumstances of the people of the United States, are contingent on good faith being maintained with the public creditor. Were the American public creditor to be disavowed, or were the debts of the separate States—the aggregate amount of which is now enormous—to prove too great a burden, in conjunction with the debts of the Federal treasury, it would be a task of some difficulty to produce a goodly number of solvent, rich or poor, within the bounds of the United States. Under a purely credit system individuals and nations are rich on the assumption only that what is owing to them will be really paid.

But it is time to speak of 1864, and to touch on some details. Trade in 1864 was in a most unsatisfactory state; it being generally necessary to take advantage of the favourable fluctuations in the gold premium for paying duties. Nor were the duties the only care of the importer, there were, in addition, the premiums on exchange. At the close of last year some descriptions of woollens which had to pay an import duty of 60 per cent. in gold were thus burdened:—

Net cost afloat at New York	..	...	\$1.00
Premium on exchange	...	...	\$1.27
Gold duty	...	...	60
Gold duty premium	...	...	76
Total tax on the one dollar's worth	...	...	2.63
Total cost to the importer	...	...	\$3.63

Into the hands of the consumer the one dollar's worth perhaps passed at a charge of \$5 or \$6. But to put the matter broadly, the whole value of the dutiable goods imported in 1864 was \$264,381,101, the average premium on gold 155, and the exchange 170. The actual cost of the imports was therefore—

Original cost	...	...	...	\$260,381,101
Freight, &c.	...	...	...	26,038,110
				<hr/>
				\$286,419,211
Exchange, 60 premium	...	...	...	161,061,526
Duties collected in currency	...	...	...	159,945,530
				<hr/>
Total cost in greenbacks	...	...	...	<u>\$601,416,267</u>

Another American writer of position says (October, 1864), "The events of the last month have been influenced principally by the great fluctuations in the prices of gold, that have tended to unsettle all values prospectively, and create great apprehensions in relation to the possible consequences of a sudden and large depreciation in the prices of goods. The combined influence of taxes and of currency inflation has carried goods so high as seriously to check consumption. The effect is the more decided since domestic productions have not risen in price so fast as other articles, because although articles of home production suffered the influence of paper inflation, those manufactured articles composed of imported materials, and goods directly imported, were influenced also by the premium on gold as well as the paper inflation, and the latter in the double ratio of premium on exchange and premium on gold. The depreciation of the currency is the one general cause of the rise, but the import taxes have added a further element of cost which is not borne by the domestic products. With each advance in the price of gold this becomes more evident, and it is the sign of increasing relative difference in prices which is the main cause of languishing commerce. The Fall trade is very backward, and many dealers are awaiting orders for the re-shipment of their goods to more propitious quarters. An ordinary quality of cloth, which paid 24 per cent. duty three years since, now pays 460 per cent. before it reaches the retailer, a fact which represents so many yards less for the same quantity of farm produce." Thus it was not unfortunate for the United States Government that the war terminated at the time it did, for its resources and energies were beginning to be fairly tried. No doubt its energies and resources are great, but it is pretty certain that at the present time they are unequal to the renewal and continuance of so great a conflict.

BANKING AND FINANCIAL ANECDOTES.

No. XII.

LOMBARD STREET.

THIS street has for many centuries been famous for its wealth, its inhabitants being formerly, as now, dealers in money; it is well known that previous to the time of Edward the Second it was the principal mart for the goldsmiths and money-lenders, now commonly called pawnbrokers. They displayed their bags of money on low benches in open shops, protected perhaps by occasional awnings from the inclemency of the weather. We have seen an ancient lease of a house in Lombard Street, in which permission is given to the occupier to enclose it with windows; and to this day, that part of a banking house in which money is received and paid, is called "the shop." The celebrated Sir Thomas Gresham, goldsmith to Queen Elizabeth, had his shop in Lombard Street, on the site of the banking house of Martin, Stone and Company; and for many years the successors of Sir Thomas Gresham, Charles Duncombe and Richard Kent, occupied the house and kept up the sign of the "Grasshopper." The present names of the courts and alleys in Lombard Street had their origin from the banker's signs, with the exception of "Pope's Head Alley," which was so named because the dealers in Roman Catholic wafer cakes and pardons resided there. The grandfather of Anne Boleyn, wife of Henry VIII., was a goldsmith in Lombard Street, as was also, according to Pepys, the husband of Jane Shore. Lloyd's Coffee House was originally in Lombard Street; it was the property of Edward Lloyd, in the time of Elizabeth, who was noted for his permitting merchants and others to assemble in a room in his house to discuss their business matters, without insisting on their taking refreshments; its many conveniences of locality, &c., increased its reputation, and at last it became the only place where marine insurances could be effected, and continued to be so, until, as Stow relates, "The merchants began to make their meetings at the Royal Exchange;" and up to the present time all the policies for marine insurance, effected at Lloyd's, contain these words, "And it is agreed by us, the insurers, that this writing or policy of assurance shall be of as much force and effect as the surest writing or policy of assurance heretofore made in Lombard Street, or in the Royal Exchange, or elsewhere."

In 1677 was published a list of all the bankers who kept "running cash," with their several signs, for the practice of numbering houses had not then been adopted. Among them will be found Peter Percefull and S. Evans, of Lombard Street, with the sign of the "Black Boy," evidently the predecessors of Willis, Percival and Company. James Hore, at the sign of the "Golden Bottle," Cheapside, the ancestor of the Messrs. Hoares, of Fleet Street, who have the symbol of a leather bottle, gilt, over the principal entrance of their banking house; it appears from Sir Richard Hoare's history of the family, that Mr. Richard Hoare, goldsmith at the "Golden Bottle," Fleet Street, resided there in 1692. Messrs. Goslings, also in Fleet Street, retain their ancient sign of the "Three Squirrels." Remains of this custom may still be found in many of the Metropolitan banks, for example, in the branch of the London and Westminster Bank, formerly the banking house of Snow and Paul, in the Strand, may be seen a golden anchor.

RUN ON THE BANK OF ENGLAND, 1720.

THE following explanation of a reported run on the Bank of England was printed and published in the above year :—

"Whereas there hath been several false and malicious reports industriously spread abroad reflecting on Sir Richard Hoare, goldsmith, for occasioning and promoting a run for money on the Bank of England; and in particular several of the directors of the said bank, reporting that the said Sir Richard sent to the bank for ten of their notes of £100 each with a design to send several persons with the said notes to receive money thereon, so as to effect his ill designs and to bring a disreputation on the bank, and occasion a disturbance in the City of London." This accusation Sir Richard as publicly denied, stating that the ten bank notes were required by Major Ashburnham for his journey to Scotland, for his expenses. Sir Richard further stated that had he intended to promote a run for money on the bank, he could have done it in a more effectual manner, having by him all the time that the great demand for money was on the bank, several thousand pounds in notes payable by the bank; and also that there was brought to Sir Richard, by several gentlemen, in the time of the run on the bank, notes payable by the bank, amounting to a great many thousands, which he was desired to take and receive the money immediately from the bank, which he refused to do until the great

demand for money on the bank was over. The authorities of the bank must have been very sensitive, if the withdrawal of so small a sum as £1,000 could have caused them any uneasiness, or to report that the withdrawal of that sum could possibly be construed into a run; but no doubt the real fact was, that there still existed a jealousy between the private bankers of London and the Bank of England. Many of the former, at the above period, and in particular Messrs. Hoares, issued their own notes, which notes only ceased to be issued when the bank had been fully established in public favour, and consequently a preference being given to the notes issued by the Bank of England.

A BANK PORTER CHOSEN AS A CLERK.

SOME years ago it was the practice, and we believe still is, for a candidate for a clerkship in the Bank of England to undergo a certain degree of examination as to his fitness for the office, one of the tests was that of counting twenty pounds in silver. It happened on a certain occasion that the name of a young man (who was a candidate for the post of porter) was placed in the list of clerks, and on the young man receiving the silver to count, he whispered to the head of the department, "There is, I think, some mistake here, sir; I am to be a porter and not a clerk." "Count the silver, sir," was the reply, adding, "a clerk is better than a porter any day;" whereupon the young man counted the silver, and having performed the operation expeditiously and correctly, he was told he would do very well. The candidate again whispered to the chief of the office, "I write very bad, sir, not being used to it;" the reply was "Pooh, pooh, when you pass, as you will do, take lessons in writing after office hours, and you will soon write as well as the best of us." This kind and considerate advice was adopted, and in a very short time the young man became a most efficient officer of the corporation, remaining in the bank for upwards of forty years, much respected.

THE BANK CLERK AND THE MUD CART.

THAT portion of the Bank of England now called the Garden, was formerly the churchyard of St. Christopher-le-Stocks, and, having formerly been consecrated, became, in the estimation of pious people, "holy ground." One of the clerks in the Bank, of the name of

Jenkins, lies buried in this consecrated ground ; the cause of this interment in such a place arose out of a fear expressed by his relatives, that in consequence of his singular height—he was upwards of seven feet—his body, which was much coveted by the faculty, would be exhuming if it were buried in any other place. A whimsical story is related of Mr. Jenkins. He was in the daily habit of passing through the Borough, and at the foot of London Bridge, on the Surrey side, there was a linen-draper's shop, the proprietor of which was a very little man. This dwarf made a point of standing at his door every morning at the time Mr. Jenkins passed, looking up to him in rather a contemptuous manner—at the same time, like the frog in the fable, endeavouring to swell himself up to the dimensions of the giant. This conduct on the part of the little linen-draper had become so irritating, that one morning observing a mud cart opposite the draper's door, full to overflowing, Mr. Jenkins took up the little man and soused him in the liquid mud-cart, walking away as though nothing had happened.

STORY OF A LOTTERY TICKET.

ONE of the joint stock companies formed during the bubble mania of 1720 was "The Charitable Corporation for lending money to the poor at moderate interest." This corporation got into difficulties, and the creditors petitioned Parliament for relief. The prayer of the petition was granted in the shape of a lottery—a very common mode of relieving distressed companies in those days. The following whimsical incident arose out of the purchase of a ticket in this lottery :—

An old bachelor had a female servant who bought a half ticket in the Charitable Corporation Lottery, No. 9,999. She said she chose this number because she had dreamt for three consecutive nights that this number had turned up a prize. This dream she told to her master, who made a minute of the number in his pocket-book. On the day the lottery was drawn the old gentleman saw an announcement that No. 9,999 had been drawn a prize of £20,000. He went immediately to Doctors' Commons and took out a marriage license for himself and Sarah Smith, his servant. He then hastened home, fearing lest any one should have announced to Sally her good fortune, and thereby frustrate his intentions towards her.

On reaching home, he found Sally was ignorant of the fate of her lottery ticket. He then addressed her in very familiar terms, stating

he thought her a very comely lassie, and ended by asking if she would like to become mistress of his house, in fact his wife. Sally blushed, and playing with the corner of her apron, asked if he was serious, whereupon he showed her the license. Notwithstanding the shortness of the courtship, it was arranged that they should be married the first thing in the morning. Accordingly on the following morning they were married, and after the ceremony was over, the old gentleman said, "Now, Sally, my dear, we will call at the lottery office about your ticket, which I have the pleasure to inform you has been drawn a prize of £20,000, so let us lose no time in obtaining the money." Sally immediately exclaimed, "Oh dear, what a pity!" "Why, what is the matter, Sally?" She replied, "Why, you must know that my sweetheart, who is a sailor, called on me a few weeks ago and told me he was going to the East Indies, and asked me to give him a keepsake, when I gave him the lottery ticket." It is easier to imagine than describe the chagrin and disappointment this information must have caused the old gentleman, who found he had, through his avaricious disposition, been saddled with a penniless wife, and that wife his former housemaid.

EXCHEQUER TALLIES.

TALLIES were of great and constant use in the exchequer coeval with the institution of the exchequer itself; these tallies were pieces of wood cut in a peculiar manner. For example, a stick or rod of hazel, well dried and seasoned, was cut square and uniform at each end and in the shaft. The sum of money which it bore was cut in notches in the wood by the cutter of the tallies, and likewise written on both sides of it by the writer of the tallies. These notches were cut at two opposite angles of the prism, which, being split, converted it into two prisms with triangular basis; these two notched cuts of woods were exactly equivalent to the modern engraved cheque and counterfeit; one was given to the parties paying money and the other retained at the exchequer. Clumsy as such instruments must appear to modern ideas they were undoubtedly an effectual protection against forgery or fraud. The circumstances attending the entire extinction of these primitive instruments is thus related in Lawson's History of Banking:—"In the month of October, 1834, the authorities of the exchequer gave directions that the tallies and foils (which were no longer required) should be destroyed. They were accordingly re-

moved from the exchequer to the cellars of the Houses of Parliament, and by a modern Guy Fawkes were placed in the flues to be consumed. The operation of burning the tallies, of which there were several cart loads, they having accumulated for centuries, began at six o'clock on the morning of Thursday, the 16th of October, 1834, and continued the whole of the day, until half-past six in the evening, when the flues having, as might have been expected, become overheated, a terrific fire burst forth, and in a few hours the entire building was a heap of ruins."

THE CLEARING BANKERS' COMMITTEE.

(From a Correspondent.)

It is a matter for national congratulation, that the banking business of the world centres itself in London, bringing in its train enrichment, not only to the citizens, merchants, and tradesmen of the metropolis, but diffusing wide-spread, throughout the country, handsome dividends amongst those who, by virtue of the Joint-Stock Act, are partners in this lucrative business. Few people know the immense extent of this, or have ever heard of the millions sterling, by which alone its daily operations are measured, or by what laws its internal economy is regulated, or who compose the council of so important a guild as our modern "goldsmiths," who, by their enterprise and probity, have so largely contributed to England's greatness among the nations. We think the constitution of this council calls for a few remarks, as it assumes to itself the functions of controlling the whole body of bankers in London, in their relation with each other, and in a minor degree with their customers also.

In its present state it is an anomaly amongst our English institutions, for it is neither elected by the members of its own profession, nor is it nominated by state or municipal authority, and the right to sit in the council appertains to the heads of a few private banking firms only, as an hereditary privilege.

Of course no one had any right to complain of the manner in which this council or committee was constituted, so long as it assumed only to govern the private bankers; and without agreeing with those who say that private bankers have had their day and will be unknown to the next generation, unless history records that they contained in their ranks a poet and a peer in the reign of our Sovereign Lady Queen Victoria, we cannot but see in the marvellous success of the joint-stock banks, a power or principle which they might as well hope to resist by restrictive measures, as to stop an express train by placing a cord across its route.

Those of our readers whose memories can carry them back to the introduction of joint-stock banking to the metropolis, may remember

with what determination the Committee of Clearing Bankers resisted the innovation by throwing every obstacle in the way of business that could harass and annoy the joint-stock banks, or be detrimental to the interests of their customers, and admitted them to share the facilities afforded by the bankers' clearing house, only when the joint-stock banks were so rapidly rising in importance as to command the privilege of exchanging drafts upon equal terms, which they had so long been denied. But though compelled to yield the use of their clearing house to their powerful rivals, they have withheld from them to the present day, the right to share their deliberations on measures which affect them equally with the private bankers who thus practically assume to themselves the sole right of determining matters not only affecting their own business but also the joint-stock banks who use their clearing house, for which accommodation a very ample rent is required by the committee.

The number of joint-stock banks who are doing a London business, and come under the title of "clearing bankers," is eleven; their paid-up capital amounts to upwards of twelve million pounds, and their united "liabilities" to nearly one hundred million pounds, and constitute, we think, a fair title to consideration on any question which in any degree affects this enormous wealth. The interests of the numerous customers whose it is, and a due regard to the wishes of the executive in whose hands it is deposited, demand that this wall of exclusiveness shall now be thrown down and the right fully conceded to every clearing banker to be represented in that council, which may then with dignity discuss any proposition brought under its notice.

The necessity for an immediate change in the constitution of this council, which is to control the banking interest of the future, with the prospect of an indefinite extension of the joint-stock system, and a probable decrease in the number of private bankers, is apparent, for inequality is daily increasing and must continue to do so. Nor are the joint-stock banks without specific grounds of complaint; for instance they have been recently called upon to obey an order in council, extending the time for receiving "returns" at the Clearing House, and thereby entailing upon managers and those whose duty it is to supervise this important item a longer attendance at the respective banks—and during the present month an extension of time in another department has been decreed by the committee, who order that all bankers shall "mark" cheques for payment next day to 5.15 instead of 5 o'clock, again causing part of the staff of the joint-stock banks to be detained for a longer period than usual hitherto.

We venture to say that had the joint-stock banks been individually represented, the above orders would not have been issued, but a remedy would have been sought in quite another direction for the pressure of business which they are designed to alleviate. An extension of time was most urgently needed to enable the bankers to pass through their books the enormous number of drafts sent by their customers for clearing, and in itself was just one of those subjects upon which the opinions of all the clearing bankers should have been taken. In-

stead of doing this, the orders we have referred to were issued by the Committee, and unless the increase in our mercantile transactions is to stop, these retrogressive steps must before long be repealed.

We will now venture to point out the remedy which our joint-stock banks would have advocated, and which we think is the only true course to be pursued unless indeed we are to drift back to the banking hours of 1847 ; but before we state the remedy, it will be well to glance for a minute at the case requiring its application. The banking houses are open until four o'clock, and their customers can and do send to their credit bills, cheques, notes, and coin, up to the latest minute, just as they did eighteen years ago when the banks were open until five o'clock.

The bills and cheques upon clearing bankers must be passed through two sets of books at least, and examined for endorsements, &c., before they can be despatched to the Clearing House, which also closes at four o'clock ; but a difference of five minutes exists between the clocks in favour of the Clearing House, and notwithstanding this device, and the concentration of all the available resources of the bankers, they can never succeed in the self-imposed task of clearing all the drafts, because no margin of time is allowed within which it may be effected, except the miserable five minutes alluded to, and consequently the number of drafts daily uncleared is so great that the bankers find it necessary to give their clerks increased time to present these uncleared drafts at the various banking houses to be "marked" for next day's clearing.

We think if a margin of thirty minutes were required of every customer who should pay in clearing cheques, it would at once be conceded by them, and we know it would allow ample time to the banker to clear the drafts on the heaviest settling day, and all the drafts being cleared none would be left for "marking ;" and further, it will be seen that due time being thus allowed, the drafts would be passed through the books more correctly and examined with greater care than is possible under the present system, and many serious mistakes would be avoided thereby.

We are able to speak confidently of the beneficial results of such a system as we indicate, because for many years it has been in actual operation at the Bank of England and also at the Union Bank of London, and we think we may safely infer that all the commercial classes are represented at these two banks, and therefore no inconvenience is suffered by them in consequence of this arrangement ; and from actual inquiry we can state that no single complaint has ever been lodged against the plan adopted at the Union Bank with such signal benefit to every member of their establishment.

We feel assured that we should be wronging our merchants and others if we doubted that a request for reasonable time in which to perform the important duties entrusted by them to their bankers would be otherwise than readily granted, even if it did involve in some cases a slight alteration in their own arrangements to meet the proposed change.

We revert for a moment to the immediate subject of our remarks and earnestly hope that the Committee of Clearing Bankers may, wisely considering the situation, avoid an assault on their citadel by a timely parley with their friends the joint-stock bankers, and by a graceful concession of just rights attach to themselves the good opinion of their countrymen and prove themselves to be in this generation, what their fathers were in the past, "wise men discerning the times."

"THE TIMES" AND THE CURRENCY QUESTION.

THE annexed communication (says *The Times*) furnishes another illustration of the ideas entertained in some commercial quarters regarding the Bank of England. The writer complains of the lock-up of a certain portion of the bank funds in railway and other debentures, and of "the miserably small reserve with which the directors are content to work," and recommends that the debentures in question should all be disposed of, and, further, that the note issue unprotected by bullion should be increased from its present amount of £14,600,000 to £20,000,000. The expediency of holding railway debentures may be open to discussion, but the writer, in describing the system as fraught with danger, and in assuming that an opposite course would place a more full amount of circulation at the command of commerce, overlooks three facts. These are, first, that if the bank were not to hold such debentures they would be held by other parties whose means, now employed in commerce, would thus be withdrawn to exactly the same extent, so that the discount market would be in just the same condition as before; next, that these debentures, when selected, as is doubtless the case, to fall due at different intervals and at moderately short dates, give the bank a power over the money-market almost as complete as if they were commercial bills; and finally, that if the bank were not to make such investments they must employ the amount in bills, and that this necessity, when money is extremely abundant, would render it essential for them to put down their rate not only to 3 or 2½ per cent., as is sometimes complained of, but to a still lower point. Apart, moreover, from all these considerations, there is the fact that the question is purely one of banking management, and that the Bank of England in that matter has just as much right as any other joint-stock or private bank to pursue its own course. With respect to the "miserably small reserve" with which the bank are content, the allegation is altogether unfounded. It is the object of the bank always to keep a sufficient reserve, and the very measures which speculators now find so distasteful have been adopted with that view. The sufficiency of a banking

reserve is to be tested by the state of public confidence, and if there are any of the private customers of the bank who feel apprehensive that the management in this respect is unsound they can withdraw their deposits to establishments they may deem more secure. The circumstance of the bank being compelled to publish its reserve is in itself an anomaly, that, like all anomalies, must occasionally be attended with inconvenience. The position of the Bank of England in its banking capacity is precisely the same as that of any other bank, and if one is to publish its accounts the whole should be compelled to do so. Finally, the suggestion that the issue of notes unprotected by gold should be increased from £14,600,000 to £20,000,000 simply amounts to a recommendation that the sum of £5,400,000 of gold should be driven out of the country, and although the temporary inflation of prices which would be the immediate symptom of the process would give great satisfaction to a large class of operators, the final result would be one of disappointment and dismay:—

"London, Oct. 20.

"SIR,—In looking over the last half-yearly report of the Bank of England in the *Bankers' Magazine*, I have been much struck with the following answer made by the governor to a proprietor;—'Though they had not held anything like the amount of debentures (railway, mentioned by the hon. gentleman (£8,000,000 to £9,000,000), they held a considerable amount, something like £4,000,000.' Now this confirms reports which I have often heard, but never before believed; and as I am told that they also hold other bonds, such as the city of London, for a large amount, I submit for the consideration of the directors that such a lock-up is most unsound banking. Had the Bank of England been a loan company or an insurance company, it would be legitimate enough to invest their funds in long-dated bonds, but for a bank, and that the bank of all the bankers in the kingdom, to lock up its funds in that manner, is a proceeding fraught with danger, and may lead to disastrous results.

"When we think of these 'lock-ups,' and the miserably small reserve on which the bank is content to work, we need not wonder that a little activity in the manufacturing districts is enough to cause the value of money to advance 3 per cent. in as many weeks.

"I admit that, upon the whole, the bank has been well managed of late years, but the government should be moved during next session of Parliament to permit an issue of notes upon £20,000,000 of government securities, in place of upon £14,600,000 as at present, and the directors should realise all these dead loans forthwith. The bank would then be in a position to keep a larger amount of reserve, and would be freed from the necessity of frightening the commerce of the country when it is in a most prosperous state.

"Your obedient servant,
D. L."

ROBBERY AT THE BANK OF LONDON.

THOMAS WOOD, 38, a gentlemanly-looking man, who formerly held the appointment of cashier at the Bank of London, and pleaded guilty at the September sessions to a charge of stealing about £3,000, the property of his employers, was placed at the bar at the Central Criminal Court on the 24th October, to receive judgment.

Mr. Sleigh, who with Mr. Poland, had been instructed to prosecute, said that the prisoner had been for ten years in the service of the bank as cashier, and it appeared that in consequence of something that transpired his till was removed suddenly, when it was discovered that there was a deficiency of about £1,900 in his accounts. This, of course, led to further inquiries, and it was ascertained that in addition to this sum of £1,900 the prisoner had obtained possession of a further sum of £1,600 belonging to a gentleman named Martin, who kept an account at the bank. It appeared that Mr. Martin kept two accounts, one a deposit account, and the other a banking account, and the prisoner executed a pretended authority from Mr. Martin to transfer £1,600 from the deposit account to the current account, and by this means obtained possession of that sum, and the nature of the transaction was such that it was not likely to be discovered unless some special attention was directed to the subject, as the amount of money in the prisoner's possession would appear to be correct. The prisoner did not seem to have given any explanation when the defalcation was discovered, and there appeared to be no doubt that he had been engaged in Stock Exchange operations, which had turned out unsuccessful, and he employed the money of the bank to cover the losses he had sustained. The prosecutors did not feel themselves, under these circumstances, justified in recommending the prisoner to the mercy of the court, but having stated the facts they would leave the matter entirely in the hands of his lordship.

Mr. Metcalfe, who was instructed for the defence, said he was afraid that it was too true that the prisoner had brought himself into his present position through a spirit of speculation and a desire to become unduly rich by that means. He could not deny that the prisoner had made use of the money that was entrusted to him by the bank; but without wishing in any way to dictate to bankers how they should conduct their business, he could not help remarking that it appeared to him that there was a want of caution in allowing a person in the position of the prisoner to have the entire control over a large sum of money for a very long period without any check over it whatever on their part. The effect of the proceeding was to place very great temptation in the way of the prisoner, and when he entered into these Stock Exchange operations there was no doubt that he entertained a sincere belief that he might use the money, and that he should be able to replace it before it was missed. The prisoner did not seem in any way to have falsified the books of the bank, and this, as it appeared to him, afforded additional grounds for believing that the prisoner really intended to replace the money; and he was also instructed that out of the money that had been abstracted by the prisoner £1,000 had been paid by the prisoner's sureties, and £1,100 had been obtained by the sale of securities and other property in his possession. All he could say in addition to the facts he had just mentioned was, that the prisoner threw himself entirely upon the mercy of the court.

The Recorder, in passing sentence, said, that every point of mitigation that was possible had been urged in favour of the prisoner, but it was impossible for him to regard the offence he had committed as any other

than a most serious one. It was not as though there had been only a single act of dishonesty; but the prisoner had not only taken the money out of the till, but he had obtained possession of a large sum that belonged to Mr. Martin, one of the customers, by a very ingenious proceeding. Upon the facts he felt that he had no alternative but to sentence the prisoner to five years' penal servitude.

Reports of Joint-Stock Banks.

ROYAL BANK OF IRELAND.

THE annual general meeting of the shareholders was held at the Bank House, Foster Place, on the 27th September; Joshua Watson, Esq., chairman of the board of directors, in the chair.

The following report was submitted to the meeting:—

"The directors, in submitting their twenty-ninth annual report, are impressed with the belief that it will afford satisfaction to the shareholders. The high rates of discount prevailing during the first half of the past year were not maintained during the second period, which, on the contrary, was marked by terms rather under than above those ordinarily existing. The results, nevertheless, of the bank's operations exhibit unmistakable evidence of a continued favourable action; and the shareholders, at the same time, will not fail to notice that the dividends this year had to be distributed over a considerably larger amount of capital than in preceding years. The reserve fund on this occasion has only been nominally increased; but, while from the large addition made last year it was not deemed necessary to add to it in any essential degree this year, the directors retain the opinion they have heretofore expressed, that an increase of this fund should not, under fitting circumstances, be lost sight of; as experience has convinced them that the command of a resource of this nature is an important element in the successful working of the bank, by enabling it to carry on its operations independently, as well as on account of the increased confidence in the bank's stability, which it is calculated to afford. In their last report the directors had to advert to the death of their then late chairman; and it is now with extreme regret that they have to record the resignation of his successor, Mr. Edward Atkinson, in consequence of ill health. This gentleman's time and abilities had been so long and so ably devoted to the service of the bank, that it was with unfeigned reluctance the board accepted his proffered resignation, which, with a full sense of the loss they sustained, they, nevertheless, were compelled to do. The vacancy created by Mr. Atkinson's retirement has been filled up by the election to the board of Mr. Robert Callwell, a gentleman so well known and so highly appreciated in the mercantile community of Dublin that the directors feel no doubt of their choice meeting the approval of the shareholders. The two directors who, under the provisions of the deed of settlement, should have retired from the board by rotation this year were Joseph Hone, jun., Esq., and Jonathan Pim, Esq., M.P. They were eligible for re-election, and would have been proposed for that purpose on this occasion. The sudden and lamented death of Mr. Hone, which took place on Monday last, precludes the election of more than one director at the present time; but the board will give their earliest attention to the filling up of the vacancy which thus arises."

LIABILITIES.

<i>Dr.</i>					
Proprietors' paid-up capital	...	...	...	...	£300,000 0 0
Reserve fund	...	...	...	...	214,627 16 3
Amount due by the bank on current and other accounts, and on deposit receipts	...	...	...	...	1,307,311 7 10
Post bills and circular notes	...	...	...	...	32,139 0 8
Balance of profit and loss unappropriated last year	...	...	...	...	6,120 5 6
Net profit for year ending this date, after deducting all expenses of management, £56,884. 10s. 1d., less.—February dividend paid to proprietors, £24,000, amount allocated for bad and doubtful debts, £6,000—£30,000	...	...	...	...	26,884 10 1
Profit by sale of unclaimed Royal Bank shares (new issue), £10,027. 8s. 9d., less amount allocated in reduction of value of government stock held, £4,568. 15s.	...	...	...	...	5,458 13 9
					<u>£1,892,041 14 1</u>

ASSETS.

<i>Cr.</i>					
Bills discounted on hand	...	...	...	...	£1,229,049 6 6
Advances on government stock and other securities	...	...	...	...	399,772 3 9
Cash and government stock on hand	...	...	...	...	244,220 3 10
Bank premises	...	...	...	...	19,000 0 0
					<u>£1,892,041 14 1</u>

PROFIT AND LOSS ACCOUNT.

<i>Dr.</i>					
Amount of interest paid on deposit receipts and current accounts, &c.	...	...	...	...	£34,549 15 5
Total expenses of management, including salaries, rent, taxes, stationery, &c.	...	...	...	...	14,911 7 10
Amount carried to bad and doubtful debt fund	...	...	...	...	6,000 0 0
Amount allocated in reduction of value of government stock, now estimated at 90	...	...	...	...	4,568 15 0
Amount carried to reserve fund, making that account £215,000	...	...	...	...	372 3 9
Dividend of 8 per cent. for half-year ended 28th February last	...	...	...	...	24,000 0 0
Dividend of 10 per cent. for half-year ending this date	...	...	...	...	30,000 0 0
Balance unappropriated at this date	...	...	...	...	7,591 5 7
					<u>£121,993 7 7</u>

<i>Cr.</i>					
Unappropriated balance from last year, as above	...	...	...	...	£6,120 5 6
Gross banking profits for this year (rebate of interest on current bills having been estimated)	...	...	...	...	105,845 13 4
Profit on securities sold, as above	...	...	...	...	10,027 8 9
					<u>£121,193 7 7</u>

RESERVE FUND.

Present amount.	...	...	...	...	£215,000 0 0
Balance from last year	...	...	...	...	£214,627 16 3
Amount appropriated as above	...	...	...	...	372 3 9
					<u>£215,000 0 0</u>

The following resolutions then were proposed and unanimously adopted :—

Moved by the chairman ; seconded by Edward Fox, Esq., "That the report now read be received and adopted, and that the same be printed and circulated amongst the shareholders."

Moved by Alexander Findlater, Esq.; seconded by Robert Callwell, Esq., "That Jonathan Pim, Esq., M.P., be re-elected a director of the bank."

Moved by Alexander Parker, Esq.; seconded by Alexander Boyle, Esq., "That the proprietors of Royal Bank stock here assembled desire to unite with the directors in an expression of sincere sympathy and condolence with the widow and family of the late Mr. Hone, under the painful circumstances which attend a bereavement so sudden and unexpected as they have just sustained.

Moved by Henry Peile, Esq.; seconded by Robert Millner, Esq., "That the cordial thanks of the meeting be given to Joshua Watson, Esq., chairman, and to the other directors of the bank for their able and successful conduct of its affairs during the past year."

Moved by Edward Fox, Esq.; seconded by Robert O'Brien, Esq., "That the grateful thanks of the meeting be given to Mr. Copland, manager, for his uniform zeal in promoting so successfully the best interests of the bank."

Moved by John Quinlan, Esq.; seconded by Richard Wilson, Esq., "That the warm thanks of the meeting be given to Mr. North, sub-manager, and to the other officers of the bank, for their earnest and skilful attention to their duties, and for their uniform courtesy to the public."

BANK OF BRITISH COLUMBIA.

THE half-yearly general meeting of the proprietors of this company was held at the London Tavern, on the 3rd of October; Mr. T. W. L. Mackean in the chair.

The Manager (Mr. Ransom) having read the advertisement convening the meeting, the following report and accounts were taken as read :—

"The accounts for the half-year ended 30th of June last, show that after paying all charges, deducting rebate of interest on bills not due, and making ample provision for bad and doubtful debts, the undivided profits amount to £20,078. 13s. 8d., which the directors propose to appropriate as follows, viz., £9,375 in payment of a dividend at the rate of 10 per cent per annum; £7,000 to reserve fund, which will then amount to £20,000; leaving £3,703. 13s. 8d., to be carried forward to the current half-year."

Statement of Liabilities and Assets at the London Office and Branches on 30th June, 1865.

LIABILITIES.

Capital paid up	£197,500	0	0
Reserve fund	13,000	0	0
Deposits, notes in circulation, bills payable, and other liabilities	271,909	17	5
Balance of profit and loss on the 30th June, 1865	20,078	13	8
	<u>£492,488</u>	<u>11</u>	<u>1</u>

ASSETS.

Specie and bullion in hand and cash at bankers' ...	£89,676	0	6
Bills discounted, bills receivable, government and other securities	394,188	11	11
Bank premises, furniture, and other property ...	4,623	18	8
	<u>£492,488</u>	<u>11</u>	<u>1</u>

Profit and Loss Account, June 30th, 1865.

Balance of profit and loss account brought from 31st December, 1864 ...	£18,680	12	1
Profits for six months ended 30th June, 1865, after deducting rebate of interest on bills not due, and making ample provision for bad and doubtful debts ...	27,096	17	2
	<u>£45,777</u>	<u>9</u>	<u>3</u>

Dividend paid 8th April, 1865 ...	£8,333	6	8
Amount carried to reserve fund ...	7,000	0	0
Charges to 30th June, 1865, including rent, taxes, salaries, directors' fees, and all other expenses at head office and branches	10,365	8	11
Balance of profit, 30th June, 1865 ...	20,078	13	8
	<u>£45,777</u>	<u>9</u>	<u>3</u>

Proposed appropriation, viz. :—

Dividend at 10 per. cent per annum ...	£9,375	0	0
Amount to be added to reserve fund ...	7,000	0	0
To be carried forward ...	3,703	13	8
	<u>£20,078</u>	<u>13</u>	<u>8</u>
By balance ...	£20,078	13	8

The Chairman, in moving the adoption of the report, said that the directors felt great pleasure in meeting the proprietors under favourable circumstances, and in being enabled to present them with a balance-sheet which, he trusted, would meet with their approval. This was the sixth time they had met them in public meeting, and if they referred to their various reports and balance-sheets, they would find a steady progress of business with which there was every reason to be satisfied. The net profits had gone on steadily increasing, and the note circulation, which was a sure index of public confidence, had increased from \$35,959, at which it was in 1863, to \$204,325, according to the June returns of this year. The directors might have asked them to declare a larger dividend, but they considered their first duty was to extinguish debt in the shape of preliminary expenses, and to set aside for a reserve fund rather more at first than they would recommend in future. They would also observe that they had only increased their capital as the demands of their business required. Since they last met they had opened a branch at Portland, in the State of Oregon, and without venturing any opinion now, they felt that at a future meeting the proprietors would be satisfied with the results. (Hear, hear.) The extension to San Francisco and Portland necessitated fresh capital to meet their requirements, and for this purpose an extraordinary general meeting would be held on the 18th instant

to sanction this step in terms of their charter. In issuing new shares the directors, as promised, would offer them to the existing shareholders *pro rata* at a premium of £2 to be paid on allotment, and £5 on the 1st of January next. Future calls would be made at intervals of not less than three months, and only when the business of the bank required it. Hitherto the directors had been obliged, as prudent men, to set aside a large proportion of the profits for the creation of a reserve fund, but after the addition of £25,000 to that fund by the issue of new shares it would amount to £45,000, which would justify for the future the division of a much larger proportion of profits amongst the shareholders. (Cheers.) They had hitherto been exempt from bad debts, but he had cautioned the proprietors that they could not always expect immunity in this respect. The amount, however, which they now had to report was small, and had been provided for out of the profits of last half-year. They had much pleasure in bearing testimony to the continued zeal and prudence of their inspector (Mr. Walker) and the managers of the various branches under him, and they also felt it due to record their sense of the courtesy of the States governments in doing all they could by their representatives to promote the interests of the bank, and to facilitate their arrangements in establishing branches in United States territory. It must be a matter of congratulation to every right-minded man that the fearful crisis in the United States had terminated, and as her people possessed great intelligence and energy, and boundless resources, the directors felt assured that there would be such a revival of business in every part of the Union, that it would be felt by all, and by none more than by this bank. They were very unwilling to touch upon the present political position of the colonies of British Columbia and Vancouver Island, but the meeting was aware that his Grace the late Duke of Newcastle sanctioned unwillingly a separation of the colonies. The board felt perfectly convinced that in their union there would be strength—morally, physically, and commercially—besides a vast saving of expense in having only one staff of government officials to support instead of two. One colony possessed unbounded mineral wealth, with sufficient land for agricultural purposes to support a large population, while the other possessed not only a fine climate, and one of the finest harbours in the Pacific, but fields of coal with other mineral wealth capable of rendering it an important commercial centre. It might prove interesting to them to hear an account of British Columbia from the personal observations of the inspector of the bank, on his visit to the branches in that colony, and he would therefore read the following extract of a letter from that gentleman, dated 3rd July, 1865:—"I have now to report for the information of the court, that I have completed my tour of inspection to the various agencies of the Bank of British Columbia. My impressions of the colony are much more favourable than they were previous to my visit to Cariboo. The country is more settled up than I expected to find it, the mining interests appear more permanent, and the area of land along the road capable of cultivation is much greater than I had any idea of." "For the first ten miles," from Yale, "you follow the Frazer on its left bank, crossing Trutch's suspension bridge, and following the river on the other side, the road for the first thirty miles runs along the face of the mountain, and in many places is blasted out of the face of the solid rock, and built on crib work, looking down perpendicularly from 200 to 500 feet, right into the Frazer. The scenery is wild and mountainous in the extreme, and the road is a monument of great engineering skill and wonderful enterprise for so young a colony. The first evening brings you to Lytton, a small village which can never be more than a forwarding

point. Here you leave the Frazer, and follow up the right bank of the Thompson, keeping the same wild Alpine scenery till you cross Spences' bridge, at which point the Hudson's Bay Company's trail for Kamloops diverges. Leaving the bridge, a more open prairie country is found admirably adapted for grazing or agricultural purposes, and this lasts till you reach Clinton, which is the junction of the Douglas and Yale routes. This place at one time took a considerable start; there is a good deal of available land about it which gives capital crops, and it seems to me to be a very central point. Leaving Clifton you travel through the 'Green Timber' for about 50 miles, at an elevation of fully 4,000 feet above the sea, where continual night frosts stop all vegetation; descending from this, you come to Lake la Hache; and from there to Soda Creek, a distance of about 70 miles, there is a fine rolling prairie country, where with the help of irrigation, for which there is every facility, large crops of oats, barley, wheat and hay are raised. From Soda Creek a steamer takes you to Quesnel, from there you take the stage to Cottonwood, 36 miles from Williams' Creek, which distance is got over on horseback over a most execrable trail. The trip took me from the Monday morning till the Friday night, travelling all the time, sleeping one night on board the steamer. As far as I can see, this is a colony which can only be settled up by miners, but having once got a mining population, there is abundance of available land to supply a large number of people with all the necessities of life. Success in farming will permanently settle the colony, and create other means of employment and other sources of wealth. Hitherto the farmers have all been men of little or no means, but they are almost all content with what they have done, and I could give instances where the most extraordinary success has followed industry and hard work, where there has been a total absence of capital. Up to the present, the chief crop raised has been barley, for which large prices have been got. Now, however, government is about to offer a premium of £500 for the first flour mill built in the colony, so that I expect next year will see the colony entirely self-supporting, as far as flour goes. The actual mining of the colony is as yet confined to Cariboo, almost, I may say, to Williams' Creek. This is to be accounted for by the fact that provisions have hitherto been too high to allow of men going off on a prospecting tour. The enormous finds on the creek have so dazzled men, that they have hung about this great centre, working for wages, only to try again when enough has been saved. Besides this, a great many other creeks known to be rich are unworkable, owing to the absence of machinery, which it has hitherto been impossible to transport over the present trail. One Saturday I was on Williams' Creek, one claim washed up over 1,000 ozs. for one week's work, others were taking out from 300 to 70; and all this gold has been taken out by the most primitive means, not an article of machinery ever having been used. With my past experience as a guide, I am inclined to believe that on Williams' Creek alone there is work for many years to come, and I am at ease in my own mind as to the stability of our operations there. All along the banks of the Frazer there are evidences of mining operations—the whole country is more or less rich in gold. The government has received most satisfactory reports from the gold commissioner, who has gone to Kootenais and the Upper Columbia, and steps are being taken to survey the best line for a road to the Columbia River, which I believe will go by Shuswap Lake, where the Hudson's Bay Company are to run a steamer. While at Yale I saw a large lump of silver ore taken from a lead in the Shuswap district, which I am told is of considerable extent. Samples of this have been assayed both at San Fran-

cisco and New Westminster, and show an out-turn of from 1,100 dols. to 1,300 dols. to the ton. At present the discoverers of the lead are busy getting down several tons of the ore, which are to be sent to San Francisco, and there thoroughly tested. If this turns out as represented (and the specimen I saw warrants belief), I need not point out the revolution it will work in the prospects of the colony." It was right to mention that the American line of steamers from San Francisco to China was in active progress, and there was also a new English line advertised for New York and Panama, which eventually they hoped to see extended from thence to Vancouver Island and British Columbia; and that at no distant day England would have a line of her own from Victoria to China, in friendly rivalry with their brethren of the United States. Everything that facilitated communication between this country and her possessions, and reduced the cost of passage to the emigrant, must tend to develop those colonies where the bank first commenced business. In conclusion, he begged to move the adoption of the report and accounts, and would, before it was seconded, be happy to answer any questions that any proprietor might wish to put.

The Deputy-Chairman seconded the motion.

Mr. Wright thought the report and statement of accounts eminently satisfactory, and that the proprietors ought to feel themselves much indebted to the management for the prosperous state of the bank.

Mr. Morrell called attention to the increase in the expenses, and thought it would be convenient if the remuneration of the directors was set forth as a separate item. With respect to the expenses, they were set down in September, 1863, at £2,940; they had increased in September, 1864, to £5,186; and now they had crept up to over £10,000 for the half-year. He also expressed an opinion that the debenture of British Columbia held by the company, which was taken in the accounts at par, was put down at too high a rate, because if it was thrown into the market it would not realise so large a sum by 5 per cent. as the amount at which it stood in their asset account. He also wanted to know what amount they had in debentures?

The Chairman, in reply, stated that with regard to the increase of expenditure, it had resulted solely from increase of business. At the same time he pointed out that the honourable proprietor who put the question had omitted, in his comparison of 1863 with 1864, an item of upwards of £5,700, which in point of fact brought the expenditure of the former half-year up to nearly £9,000. With reference to their expenses, all he could say was that in September, 1864, they were able to show a net profit of 12 per cent., while they now showed 20 per cent. (Hear, hear.) In regard to the government debentures of British Columbia they were paying a good interest, and they were quite justified in putting them at par. They had no intention whatever of parting with them, as they considered them quite as good as Mauritius bonds or Victoria bonds at £104 or £105; and it was to be remembered that the debt of the colony did not equal the revenue.

After some discussion the report was adopted.

A dividend at the rate of 10 per cent. per annum as then declared.

In answer to a question from a shareholder,

The Chairman said the amount of new capital was to be £250,000, but it would be called up only as it should be required.

A cordial vote of thanks to the chairman and directors and manager concluded the proceedings.

An extraordinary general meeting of the shareholders of this company was held on the 18th October, at the London Tavern, Mr. M'Kean in the chair, for the purpose of authorising the increase of the capital of the bank by the issue of new shares.

The Chairman said it was so very lately that he from the chair mentioned the purposes for which they required additional capital that he had nothing further to remark. The fact was, extended capital was required for their immensely-increased business. It was proposed to issue 12,500 new shares of £20 each, on such terms, and on such conditions, and at such prices as the directors should think fit; being distributed *pro rata* at £2 premium, £2 on application, and £5 on the 4th of January; no other calls to be made, except at a limit of three months; but, of course, every facility would be afforded to avoid calling up capital, unless really required.

The motion having been seconded, the question was put.

Mr. Conybeare hoped that the public would not be allowed to take shares at a lower rate than they were offered to the shareholders.

The Chairman—Certainly they would not.

Question put and carried.

A vote of thanks to the chairman closed the proceedings.

LONDON AND BRAZILIAN BANK, LIMITED.

AN extraordinary general meeting of the shareholders of this bank was held at the London Tavern on the 10th October, for the purpose of taking into consideration, and approving a supplemental agreement relative to the amalgamation of the banking businesses carried on by this bank, and by the bank of Messrs. Mauà and Co. (and which agreement was confirmed by the shareholders on the 11th May last), and which supplemental agreement has reference to the liquidation by the amalgamated bank of the existing establishments. Mr. J. W. Cater occupied the chair.

The Secretary (Mr. Beaton) having read the notice convening the meeting, read a short report, which stated that at the special general meeting of the 11th of May last the details of the agreement for carrying into effect an amalgamation of this bank with those of Messrs. Mauà and Co. and Messrs. Mauà, M'Gregor, and Co., were submitted and agreed to, and that at a subsequent meeting that agreement was confirmed. The directors had accordingly taken the necessary steps to carry it out, having issued the new shares, except those which were retained for special purposes, and the company had been duly incorporated under the title of the London and Brazilian and Mauà Bank, Limited, for the purpose of carrying on business in London, Brazil, the River Plate, and the Argentine Confederation. The agreement for the amalgamation proceeded on the principle that the liquidation of the existing businesses should be made independent of the amalgamated bank, but it was found impossible to give effect to such an arrangement, and it became necessary to make some provision for the purpose of effecting that object by the amalgamated bank. A supplemental agreement had therefore been made, which provided for the liquidation of the businesses by this bank at the risk of each bank respectively. Messrs. Mauà had submitted a statement of the liabilities and assets of the several banks and branches, and that, with the balance sheet, had been gone over carefully by the directors, the result of which was that surplus assets to the extent of £1,500,000 in Brazil and the River Plate were shown. Those assets would be duly inspected and verified by the officers

of the bank abroad, and it was provided by the agreement that the shares in the new bank to which Messrs. Mauá and Co. would become entitled should not be delivered except for cash or on approved securities.

The Chairman, before calling on the secretary to read the supplemental agreement, explained that the process of liquidating the business of each bank by itself would not only involve great delay, but considerable additional expense, rendering three establishments necessary instead of one until everything was liquidated. The balance-sheet (up to the 30th June last) submitted to the directors by Messrs. Mauá, showed assets to the amount of a million and a half, so that their minds were made easy on the score of the liabilities the bank might incur in consequence of this arrangement. It was stipulated that the whole of the assets of the three banks should be handed over to the London and Brazilian for the purpose of liquidating the business, and that a balance should be struck at the end of two years, by which time it was anticipated the liquidation would be complete, when the balance due from one bank to another would be handed over. The object of the directors was that nothing detrimental to the business of the new bank should occur, which might be the case if these several processes of liquidation went on at the same time.

The Secretary then read the supplemental agreement, which was almost precisely in the terms of the chairman's explanation, the only addition being a clause to the effect that the shares to which Messrs. Mauá and Co. would become entitled might be disposed of by Baron Mauá at a sum not less than the aggregate of the sum due to the bank, and that the proceeds of the same should be placed to the liquidation account of the said firm with the amalgamated bank.

The Chairman having moved, and the deputy-chairman seconded, the adoption of the supplemental agreement,

A Shareholder inquired whether it was not stated at the former meeting that Baron Mauá would not dispose of the shares to which he would become entitled, but that they would be kept locked up.

The Chairman explained that so far as regarded the 50,000 shares which belonged to him, they would not be disposed of by the baron unless at a premium of £2. 10s. per share, nor would he permit his co-partners to sell their 100,000 shares, except at such a premium. It was certainly understood that the 50,000 would be locked-up.

Another shareholder expressed an apprehension that if so large a number of shares was thrown into the market, the concern would be swamped.

The Chairman said that if the baron did not dispose of them except at a premium of £2. 10s. it would be very satisfactory to the shareholders, because their own shares must be at the same premium.

The resolution was then put and carried unanimously, and a formal resolution authorising the directors to carry out the supplemental agreement with such modifications as they considered necessary was also agreed to.

The Chairman stated that there would be no alteration in the reserve fund pending the liquidation, and he also announced that there was no probability of any further calls being made, as the assets of the bank would be between £9,000,000 and £10,000,000, but should further capital be necessary, he was sure the shareholders would be glad to meet a call, because they might depend on its not being made unless the money could be profitably employed. He was also able to state that they would be in a position to declare the same dividend to the 30th of June last, as on previous occasions—(hear, hear)—and carry forward a small surplus; and he concluded by saying that Baron Mauá had behaved to the company in the

most frank and candid manner, and that his capital had not only been found intact, but that there was a large surplus beyond, which capital and surplus remained in security to the bank for any liabilities they might incur, which could not but be satisfactory to the shareholders. (Hear, hear.)

This being the whole of the business, the proceedings terminated, it being first announced that an extraordinary general meeting would have to be held to confirm the proceedings of the present.

LONDON AND MEDITERRANEAN BANK, LIMITED.

AN extraordinary general meeting of the shareholders of this company, was held at the Baltic Sale Room, Threadneedle Street, on the 16th October, to consider an agreement, bearing date the 7th day of September, 1865, and made between the London and Bombay Bank and General Financial Insurance Agency Corporation, Limited, of the one part, and the London and Mediterranean Bank, Limited, of the other part, for the sale and transfer of the business and property of the London and Mediterranean Bank, Limited, to the London and Bombay Bank and General Financial Insurance Agency Corporation, Limited, and for accepting payment for the same in shares of the last-named company, and for the amalgamation of the two companies upon the terms mentioned in the said agreement; and in the event of this agreement being approved by the meeting, to declare what is necessary or expedient to be done by the members of this company for the purpose of carrying such agreement and sale into effect.

Mr. W. J. Maxwell took the chair.

The Secretary read the notice convening the meeting, and also a circular in which it was stated that by the terms of the amalgamation, "the £20 shares in this bank will be exchanged for an equal number of £10 shares in the amalgamated bank, which will be credited with the amounts respectively paid up on the shares in this bank, less one-fifth of such amounts; this one-fifth being an estimated allowance for certain assets of this bank not transferred to the amalgamated bank, and which will be afterwards divided amongst the shareholders, *pro rata*, on the winding-up of this bank," and that "the London and Bombay Bank was formed for the purpose of carrying on business between London and India, and has a subscribed capital of £744,930 in 74,493 shares of £10 each, of which £2 per share have already been paid; and the directors of that bank, believing that its position would be materially improved by including in the field of its operations, branches at Alexandria and at Marseilles, in connection with the overland route, have entered into arrangements for an amalgamation with this bank, the terms of which will be submitted to the meeting."

The Chairman said the notice and circular which had been read, explained pretty fully the object of the meeting, and left him but little to say. The directors felt, as the directors of all new banks must feel, that they required strength, and they thought that by joining a concern like the London and Bombay Bank, with a paid-up capital of a million, and a wealthy body of shareholders, they should find it. By the amalgamation they had decreased the liability of the shareholders, and they considerably increased the strength of their share list. In addition to that they had got some gentlemen of high standing to join them in the direction. He moved:—"That the agreement bearing date the 7th day of September

1865, and made between the London and Bombay Bank and General Financial Insurance Agency Corporation, Limited, on the one part, and the London and Mediterranean Bank, Limited, on the other part, which has been produced and read to this meeting, be and the same is hereby approved and confirmed; and that the directors be and they are hereby authorised to carry the same into effect."

Mr. Cargill seconded the motion.

Mr. Everitt said he presumed before the amalgamation took place, the old bank be wound up.

The Chairman asked if Mr. Everitt alluded to the new shares in the London and Mediterranean, applied for the other day?

Mr. Everitt said he did.

The Chairman said they were going to return the deposits on them.

Mr. Newman inquired whether there were not some shareholders in the Continental Bank Corporation who refused to come in, and whether their money would be returned to them.

The Chairman replied that there were parties holding some 600 shares out of 10,000 who refused to come in. It was not intended to return those shareholders their money, it would be illegal and inconsistent to do so, and the loss they would sustain could not be ascertained until the assets were realised.

Mr. Newman said when he last met the board it was stated that their capital was intact, and that the Egyptian connection would enable them to realise great profits, and he was considerably surprised to receive the circular in which the shareholders were asked to acquiesce in a change in the constitution of the bank and join the Bombay company. Supposing the resolution were carried, what would be his position if he declined to go on with the company under its new designation, and its new auspices; and if he withdrew, what portion of his capital might he expect to get returned to him from the old concern?

Mr. King said as he understood the bank still retained the business of the Landells, which was a profitable one, he thought that under the circumstances there was every ground to hope that the company would be very prosperous.

The Solicitor said he would explain how this amalgamation took place. The Continental Bank was a bank with £100 shares, and at the meeting in February the shareholders unanimously determined that it was desirable to reduce the shares to £20 each, and to increase their capital by a million. In the state of the law that could only be effected by incorporating a new bank to take the business of the old one. They incorporated the London and Mediterranean, which was in fact nothing more than the old Continental Bank. At the same time they offered to the public to come in and take the million. The public did not respond, and then the London and Bombay offered to come in, the only difference being that their capital was paid up. In the present state of the law no such thing as an amalgamation could take place in form, and to effect it the business of one bank must be transferred to the other. By that agreement the business of the London and Mediterranean would be transferred to the London, Bombay and Mediterranean, and by that means the shareholders of this bank would carry out their original intention, and the business of the united bank would be carried on with a capital of two millions instead of one. If any shareholder refused to come in the directors could declare his shares forfeited, but they would be bound to pay him the market price of them fourteen days afterwards.

Mr. Newman—Can the chairman tell us what the market price is?

The Chairman—It is difficult to say, as the Stock Exchange has refused us a settlement.

The resolution was then put and carried *nem. dis.*

The Chairman then moved—"That this meeting declares that, for the purpose of carrying into effect the sale of the business and property of this company to the London and Bombay Bank and General Financial Insurance Agency Corporation, Limited, in accordance with the agreement of the 17th September, 1865, which had been approved and confirmed by this meeting, it is necessary that the members of this company should accept in exchange for each £20 share held by them respectively in this company, a £10 share in the London and Bombay Bank and General Financial Insurance Agency Corporation, Limited, credited with a sum equal to four-fifths of the amount paid up on each such £20 share."

Mr. Cumming seconded, and the motion was unanimously agreed to.

Mr. King moved—"That, in consequence of the refusal of the Stock Exchange to grant a settlement in the dealings of the shares of this bank, all persons to whom shares in the bank have been allotted, and who have paid the sum of £2. 10s. per share thereon, are entitled, if any should desire it, to have their allotments cancelled and their money returned without interest."

Mr. Routh seconded, and the motion was likewise unanimously agreed to.

A vote of thanks was then given to the chairman, who, in acknowledging it, said he intended to stick to the concern, and that he had every reason to believe it would be a very prosperous one.

The meeting then separated.

CHARTERED BANK OF INDIA, AUSTRALIA, AND CHINA.

AN extraordinary general meeting of the shareholders in this bank was held at the London Tavern on the 18th October, Mr. Mitchell, M.P., in the chair; for the purpose of declaring an interim dividend for the half-year ended the 30th June last.

The Secretary, Mr. J. C. Stewart, having read the advertisement convening the meeting,

The Chairman said that he had on this occasion to confine himself to submitting to the meeting a simple resolution. It had never been the custom of the directors to submit the accounts to the proprietors at a half-yearly meeting, and in not submitting them on the present occasion they made no exception to the general rule. But he must be candid with the meeting, and tell them that it would be very difficult at the present moment to submit a perfectly accurate statement of the accounts of the bank, because they had, in common with every other bank connected with the east, been involved in severe losses, and until the estates were wound up, or until all the produce was sold upon which they held the hypothecation, it would be absolutely impossible to furnish any statement of what had been the real losses of the bank in the east. On the last occasion when he addressed the proprietors—namely, in April of this year, they were in the middle of the crisis which had since passed over every part of the east. They were then in the midst of losses, a candid estimate of which was submitted to the proprietors at the time, made up to the 14th of March, and the directors then recommended a reserve of £22,000 out of their ways and means with a view to meet those losses. That recommendation was adopted. He regretted to say that since then the crisis in the east had become more severe. It had now happily passed away, but in

the meanwhile the severity of the crisis had been very great, and he did not believe that any bank connected with the east had escaped it. He was not there to invite invidious comparisons with other banks, but he believed that they had not fared worse than any of the other banks. At any rate, as far as the directors could calculate, the further losses incurred by the bank in the east had not been sufficiently severe to warrant them in advising that the dividend should be withheld. (Hear, hear.) By the terms of their charter they were forbidden to trench upon the paid-up capital, and in recommending the present dividend they had not knowingly, and he believed not at all, trenched upon the capital of £800,000; but, unquestionably, they had trenched severely upon the reserve fund of the bank, which it would be necessary hereafter to make up again. Their losses had originated entirely in the east. He could say that no bad debt had originated with the head office at home, and the main losses had been incurred at Bombay, Calcutta, and Shanghai. Against their agents at these places he certainly made no charge of dishonesty, but he did charge them with culpable neglect, remissness, and disobedience of the orders of the directors. (Hear, hear.) The persons who had hitherto acted in that capacity at Bombay and Calcutta had now ceased to be their agents, and there was a person already on his way out to succeed their present agent at Shanghai. As regarded the Bombay agent such had been his culpable remissness in one instance that the directors considered it not only possible but even probable that they might come upon his securities. That was a point, however, which had yet to be determined. Their losses at Bombay had been unquestionably very severe. As to the crisis at Bombay, as far as he could judge, no such crisis had occurred in the history of the world since the famous South Sea bubble. It was created partly by British speculators and partly by natives, and it culminated in all sorts of new schemes, which were driven up by stimulants to the most frantic point, and which had resulted in enormous losses. He believed that many of the new concerns so started had already been wound up or were on the point of being wound up. He could not give a better proof of the severity of the crisis at Bombay than by furnishing the quotations of the value of the shares of the Bank of Bombay, which was a state bank. On the 15th of January of this year the shares stood at £275 premium, and on the 23rd of June they were at 2 discount. That was a state bank. (Hear.)

A Shareholder—But what are they now.

Chairman, £65 premium was the last quotation. With regard to Shanghai, the losses of the bank there had been incurred, in some respects, fairly enough; but in the case of two houses that had since failed, he had no hesitation in saying that their agent had allowed the bank to become the victim of a complete juggle. (Hear, hear.) These two houses were well known, and he left them to their fate. Their agent accommodated them by drafts of theirs at fifteen days upon Hong-Kong, took their bills upon their Hong-Kong branches at sixty days, and the consequence was that the bank had been let in for a large sum. He had nothing to say except that their agent had been guilty of the most culpable rashness in giving way to these firms, and he could only conceive that their object must have been to make the bank the victim in order to enable them to pay a better dividend to their general creditors. (Hear, hear.) He believed that the crisis had now passed; trade was recovering itself, and it only remained for them to consider what was still the position of the bank in the east and at home. He believed that the confidence in their bank, both at home and in the east, was perfectly unshaken at the present moment. They were now a tolerably old-established institution, and he knew from their correspondence with

their present agents that, as far as exchange operations were concerned, they could pass their bills on the best of terms there, and if they wanted money at home, they could raise it on the best of terms. Their deposits had increased rather than fallen off; their credit remained the same, and he saw, therefore, no reason why they should not renew their business again on the same favourable terms as heretofore. (Hear, hear.) He should inform the proprietors that they were about to lose one of their directors, in the person of Mr. Bell, who was retiring in consequence of his unfortunate failure. Mr. Bell had been with them from the beginning, and a more honest and attentive director it would be impossible to find. He could say with confidence that the bank would lose no sum of any magnitude by his failure, and very likely would lose nothing at all. (Hear, hear.) The hon. gentleman concluded by moving—"That an interim dividend at the rate of 5 per cent. per annum, free of income-tax, be declared for the half-year ended the 30th of June last, to be payable on or after the 25th inst."

Mr. Jones seconded the resolution.

In reply to a shareholder,

The Chairman said he could not state to what extent the reserve fund would be trenched upon. He had already stated that it would be seriously trenched upon.

The resolution was then put, and carried unanimously.

On the motion of Mr. W. H. Mann a cordial vote of thanks was accorded to the chairman, who briefly acknowledged the compliment, and the meeting terminated.

BANK OF QUEENSLAND, LIMITED.

THE fourth ordinary general meeting of the proprietors of this bank was held on the 18th October, at the bank offices, Old Broad Street, City; Sir Joshua Rowe, C.B., in the chair.

The following report was read:—

"The directors have pleasure in reporting to the shareholders the result of the bank's operations for the half-year ended 30th June, 1865. In the accompanying accounts it will be noticed that the balance of undivided profit amounts to £12,381. 17s. 7d., or about 12 per cent. per annum on the paid-up capital. The directors propose to appropriate this balance of profit as follows:—£1,500 to be added to reserve fund; £688. 10s. 4d. to be written off preliminary expenses account; £2,861. 5s. 3d. to be carried to next half-year, being rebate on bills discounted current at 30th June, 1865; £6,261 in payment of a dividend of 15s. per share, equal to 6 per cent. per annum; £130. 8s. 9d. in payment of income-tax on the dividend; and the balance of £940. 13s. 3d. to be carried forward to profit loss new account. It is gratifying to the directors to be able to present this report, which must be satisfactory to the shareholders. The gross earnings, after paying interest on deposits, and providing for bad and doubtful debts, it will be noticed, are large, amounting to upwards of 17 per cent. per annum on the capital paid up. Deposits and circulation have increased 41 and 40 per cent. respectively, and the number of new accounts opened has been 220, an increase in the half-year of 60 per cent. A large and lucrative business has now been established by the bank, which, it is confidently anticipated, will yet be still largely increased, and there is, therefore, every encouragement to expect that the operations in future half-years will continue to show equally satisfactory results. The colony is still prospering; the pastoral interest will be much enhanced by the

facilities which the railways now under construction will afford in moving the wool and other station produce to market and to the sea-board. The gold-fields are being gradually developed, and the precious metal now forms an important item in the list of exports. The number of public works in progress, and the great demand for labour, together with a considerable and continual emigration, keep up an increasing trade and an active demand for money and banking accommodation. It is proposed that the dividend announced in this report shall be paid in the usual manner, on Monday, 23rd October instant."

Statement of Liabilities and Assets on 30th June, 1865.

LIABILITIES.	
<i>Dr.</i>	
Capital	£207,900 0 0
Circulation	19,881 0 0
Deposits	95,719 18 10
Bills payable and other liabilities	96,707 7 2
Reserve fund	1,500 0 0
Undivided profits on 30th June, 1865	12,381 17 7
	<u>£434,090 3 7</u>

ASSETS.	
<i>Cr.</i>	
Specie and cash at bankers	£19,802 16 5
Bills discounted, bills receivable, and other securities	406,202 1 8
Preliminary expenses, amount as per first statement, 31st December, 1863, £5,962. 19s. 11d. Written off to 17th May, 1865, £1,374. 9s. 7d.	4,588 10 4
Bank premises, furniture, &c.	3,496 15 2
	<u>£434,090 3 7</u>

Profit and Loss Account, 30th June, 1865.

Current charges, including salaries, rent, taxes, stationery, &c., at head office, £1,222. 15s. 2d., ditto at branches, including all preliminary expenses and first charges at new branch at Toowoomba, £3,945. 15s. 4d., making a total of	£5,168 10 6
Directors' and auditors' remuneration	640 0 0
Dividend (free of income-tax) on 8,348 shares at 15s. per share, £6,261; income-tax on dividend, £130. 8s. 9d.	6,391 8 9
Amount written off preliminary expenses	688 10 4
Amount added to reserve fund	1,500 0 0
Rebate on bills current 30th June, 1865	2,861 5 3
Balance carried to profit and loss new account	940 13 3
	<u>£18,190 8 1</u>
Balance from last account	£855 4 9
Gross profits to 30th June, 1865, after paying interest on deposits, and allowance for bad and doubtful debts	17,335 3 4
	<u>£18,190 8 1</u>

The Chairman, in moving the adoption of the report, an abstract of which has already been published, said that the directors had much satis-

faction in meeting the proprietors, and in laying before them a report which showed such satisfactory results. During the past six months the deposits and circulation had increased respectively 40 and 41 per cent., and the accounts 60 per cent. The gross profits had been £17,335, which, with £855 brought over from the preceding six months' accounts, amounted to £18,190. After paying all expenses, both here and in the colony, and adding £1,500 to the reserve fund, which was consequently raised to £3,000, they were able to recommend a dividend at the rate of 6 per cent. per annum, free of income-tax. He was anxious to say a word on the item of rebate on bills current, both because the sum was considerable with reference to the amount they had to dispose of, namely, £2,861, and because on previous occasions they had not been in the habit of rebating bills discounted. The amount having hitherto been insignificant, they had followed the practice of some banks which did not include this item in the accounts. After giving the matter a full consideration they had come to the conclusion that the proper course to adopt was to take off the amount mentioned in the accounts for rebate. (Hear, hear.) He might mention that although it was deducted now it did not actually come out of their profits, but was only delayed, and would come into their profits next half-year. He concluded by stating that since the last meeting a vacancy in the board had been filled up by the selection of Mr. H. Davidson, a gentleman of high character and standing in the city, but that the vacancy caused by the retirement of Mr. Mangles in consequence of delicate health, had not been filled, nor was it proposed to do so.

Mr. H. Brockett seconded the resolution.

Mr. Darvall complained that after he had taken a leading part in the formation of this bank and in promoting its interests, without having received a single shilling from it, he had been most cavalierly treated by the proprietors, who, when he went to the colony for a short time, expressed a wish that he should retire from the board on the ground that he was chairman of another bank. It was true that his position in the colony placed him as chairman in a wealthy bank, but so far from his connexion with that bank being injurious to this, it was exactly the reverse. Acting, however, on the wish of the shareholders, he had retired, but he took this opportunity of explaining to them that he was not at all in their debt, but that in point of fact he had conferred considerable obligations on the bank. He thought their business operations were somewhat limited in comparison with other banks; but at the same time their manager, Mr. Anderson, had shown himself highly qualified, not only to conduct what business they had in hand, but to extend it if he had larger means placed at his disposal. He (Mr. Darvall) thought there ought to be a local board of directors in the colony, who could test the securities and ascertain fully the character of the assets. If there was a board of three directors at Brisbane the number in London might be judiciously reduced as vacancies occurred, through the simple process of not filling them up. He thought also that the accounts would be improved by deducting the rebate from the profit, instead of adding it to liabilities, because the profit then shown would be actual, instead of a portion of it being a sort of estimate derived from discounting bills not due. He expressed himself in favour of increasing the capital, being confident that the bank had a great future before it if sufficient funds were placed at the disposal of the manager to enable him judiciously to extend the business.

Mr. Brockett, in reply to the remarks of his friend Mr. Darvall, admitted that the board were much indebted to that gentleman for his assistance when the bank was first established, and was confident that his services in

the colony would still be of very great benefit to it. When, however, some of the shareholders expressed an opinion that that gentleman ought not to continue on the board, it was the duty of the other directors to communicate that opinion to him. Mr. Darvall at once resigned his seat, and he assured that gentleman no one regretted the circumstance more than his colleagues did. With respect to the suggestion of a local board he did not approve of it, because his experience had taught him that local boards often tended to the injury rather than to the advantage of the institution, because they frequently availed themselves of their position to obtain advances either for themselves or their friends, and instead of being an assistance often did a great deal of damage. Independent of that objection, however, there was another in the present instance, and that was that none of the shares in the bank which were reserved for the purpose of allotment in the colony had been taken up, and, of course, it was impossible to form a local board unless the capital was increased, and a large number of shares were taken up in the colony.

The report and accounts were then unanimously adopted, and, on the motion of Mr. Darvall, a cordial vote of thanks was given to the chairman and directors for their able management of the bank, which concluded the proceedings.

ORIENTAL BANK CORPORATION.

A GENERAL meeting of the shareholders of this corporation was held on the 19th October at the offices of the corporation, Threadneedle Street; Mr. H. G. Gordon in the chair, for the purpose of declaring an interim dividend for the half-year ended the 30th June last.

The advertisement convening the meeting having been read,

The Chairman said he regretted that the dividend which he was about to declare was less than that declared for the corresponding period last year. The causes lay in a nutshell. They were well aware that the year 1864, and a great part of the year 1865, would ever be memorable in the annals of East India and China commerce and banking as one of the most disastrous that had occurred for many years. That period was to the directors one of intense anxiety, care, and trouble, and he sincerely trusted that he should never see the like again. In this country, about the period to which he had alluded, a tremendous fall took place in all kinds of imported produce, particularly from India and China; credit became very much contracted, losses were exceedingly severe, and eventually failures, unsurpassed for magnitude and extent, occurred. There was scarcely a mail which arrived from India that did not bring accounts of some disaster having occurred there. They were, in fact, between two fires. What were the directors to do? To endeavour to get out of the range of shot as soon as possible. They restricted their business, and in doing so they were most vigorously and efficiently supported by their representatives in the east. The result naturally was that their profits were very much curtailed, but they avoided losses which he had no doubt they would otherwise have incurred. Losses they had incurred, but far less than he at one time had anticipated, and they had determined, on what he thought was the wisest, the most honest, and best course—to meet those losses at once. (Hear, hear.) They had written them all off (hear, hear); they had made ample provision for any contingencies that might occur, while they carried forward a considerable sum for next year. He was aware

that it was no consolation to fellow-sufferers to know that others had been in the same predicament as themselves, and it was with no feeling of that kind that he should allude to one bank, but in order that the meeting might see how, with far greater advantages at their command, that bank suffered much more severely than they had done. He alluded to the Bank of Bombay—a state bank, in the centre of the very best information, and supported with an immense capital and with immense powers of various kinds. That bank at its meeting, which took place a few months ago, announced that its losses during the period to which he (the Chairman) was referring amounted to £300,000, and that, therefore, they could not declare any dividend. It was from no invidious feeling that he made that remark, nor from any desire to show that others might have been great sufferers; but it was to show that institutions carefully managed during the terrible crisis that prevailed could not escape the losses in which all banks connected with the east were more or less involved. Now for the reverse of the medal. Confidence had again been restored, credit was very sound, and there was every reason to anticipate a great increase to their business. Many offers had been made to them, showing the high position and credit which the Oriental Bank Corporation still maintained; and he trusted that when he had the pleasure of meeting them again at the annual meeting in April next, instead of having to make an apology for a rather shorter dividend than usual, he should have to address them in the language of congratulation. He concluded by moving, “That an interim dividend of £1. 5s. per share, free of income-tax, be declared for the half-year ended the 30th June last, to be payable on and after the 1st November next.”

The resolution, having been seconded, was put and carried, and the proceedings then terminated.

MAURITIUS LAND CREDIT AND AGENCY COMPANY, LIMITED.

THE second ordinary general meeting of this company was held on the 29th September, at the offices of the company, 25, Gracechurch Street; Major-General H. P. Burn in the chair. The following report was taken as read:—

“The directors have much pleasure in meeting the proprietors for the second time, and submitting to them the annexed statement of the assets and liabilities of the company to 30th June ultimo; and the profit and loss account, showing, with the small balance, £101. 5s., brought forward from 30th September, 1864, a net profit of £3,502. 16s. 11d. (or nearly 15 per cent.) for the nine months ending 30th June; a result which they deem most satisfactory. In order to comply with the company’s regulations, the directors have carried to the credit of reserve fund the sum of £500, leaving a balance of £3,002. 16s. 11d. to be dealt with by the proprietors—and which they recommend should be appropriated as follows:—1st. That a dividend of 10 per cent., or 4s. per share (free of income-tax), be declared, which will absorb a sum of £2,438. 11s. 6d. 2nd. That £471. 5s. 5d. be carried to the credit of preliminary expenses. 3rd. And that the balance of profit be carried forward. George Lyall, Esq., being the director retiring by rotation, and being eligible, offers himself for re-election; the board have much pleasure in recommending him to the proprietors. The remuneration of the company’s auditor in London for

the past year will be fixed at the meeting; and the directors recommend that a further amount be voted for the services of the company's auditors in Mauritius to 30th June ult. In conclusion, the directors beg to congratulate the proprietors on the success which has attended the company's operations during the past year."

The chairman, in moving the adoption of the report, reminded the shareholders that at their last meeting they were informed that the company had commenced business in the Mauritius with every prospect of success, and he congratulated the shareholders on the progress which had since been made. The accounts showed that nearly the whole of their capital was invested, and all the investments which had been made were of a satisfactory character, the loans being for terms reaching to twenty-one years, which was considered generally to be the best suited to the wants of the colonists. The great demand for loans best indicated how greatly such a company as this was required, securing great advantages, as it did, alike to the borrower and the lender. As yet he was happy to say they had not had to encounter bad debts (hear), but they had opened a reserve fund, which would be increased as circumstances might require. Another security they had was the sinking fund, which was an advantage to the borrower. It was a collateral security, which increased the security to the debenture holder, and placed him in the first rank of securities. In recommending the payment of a dividend, the directors had kept in view the policy of declaring such an amount as it was hoped would be continued in after years. They had met with the most cordial co-operation of the board at the Mauritius, and the directors were happy to acknowledge their efficient services during the past year. In conclusion, the hon. gentleman moved that the report be adopted, and that a dividend of 10 per cent., or 4s. per share (free of income-tax), be declared.

Mr. George Lyall seconded the motion, which was carried unanimously.

Mr. George Lyall was re-elected a director; £25 was voted to the auditor in London, and a like sum to those in the Mauritius.

A special vote of thanks was moved by Captain Gossett, and seconded by Sir S. Villiers Surtees, D.C.L., to the Mauritius board in very eulogistic terms.

After a brief conversation, in which questions on details of accounts were put and satisfactorily answered, the meeting separated.

OTTOMAN FINANCIAL ASSOCIATION, LIMITED.

THE second ordinary general meeting of the shareholders was held at the London Tavern on the 10th October—George P. Kitson, Esq., in the chair—for the purpose of receiving the report of the directors and for general business.

The advertisement convening the meeting, and the minutes of the adjourned meeting of the 28th February, having been read and confirmed,

The report was agreed to be taken as read. It was as follows:—

"The directors, in their first report to the shareholders, submitted the accounts of the association to the 31st of December, 1864, proposing that the financial year should terminate on the 30th of June in each year, and they therefore now furnish the proprietors with the balance-sheet as at the 30th of June, 1865, together with the profit and loss account for the six months to that date, both duly audited. Since the general meeting, held on the 28th of February last, the directors have added to the board

gentlemen of high commercial standing and influence ; and pursuant to intentions expressed, they appointed a general manager in London, but the result not being in accordance with the directors' expectations, the appointment has been terminated, and the matter of securing the services of another manager engages attention. Although the six months ending 30th June last cannot, for various reasons, amongst them the reduction in the price of cotton consequent on the cessation of hostilities in America and the loss of crops through the inundations in Turkey, be considered to have been favourable for the operations of the company, yet it will be seen from the profit and loss account that the gross profits for the half-year were £23,292. 19s. 8d.; which, with £6,833. 1s. 6d., balance of last account, enables the directors, after payment of all current expenses, to propose that £959. 8s. be written off preliminary expenses, £2,000 put to the reserve fund, and £18,079. 14s. (less a small amount for rebate) carried over to meet any losses which may result from the suspension of payment by their agents at Smyrna, Stephen Maltass and Anthony Pittaco, which the directors regret to announce occurred in May last. The directors duly dispatched a representative to Smyrna to take charge of the branch and to arrange all outstanding matters ; and from information received they have every reason for believing that the losses will be more than covered by the sum now carried over ; but until they are in a position to state definitively the exact amount of loss, they consider it prudent to recommend to the proprietors the carrying forward of the whole sum rather than declare a dividend on the present occasion. The directors have to state, in conclusion, that certain arrangements are in view, which, if completed, and the operations of the company be not entirely confined to the Turkish empire, must materially advance the interests of the shareholders, and they have still full confidence in the future prosperity of the association. Two directors, Frederick Harrison, Esq., and F. B. Henshaw, Esq., retire at this meeting, and, being eligible, offer themselves for re-election."

Balance-sheet, 30th June, 1865.

Dr.

Capital called up, viz. :—London, £15 per share on 10,000 shares, £150,000, less arrears, £19,370 ; Constantinople, £15 per share on 4,779 shares, £71,685, less arrears, £22,715 ; Smyrna, £15 per share on 2,045 shares, £30,675, less arrears, £14,943—			
Total, 16,824 shares	...	...	£195,331 0 0
Sundry creditors on bills payable, current deposits, and other accounts	...	...	883,984 17 10
Reserve fund	...	...	2,000 0 0
Profit and loss account, amount standing to credit, as per annexed statement	...	...	21,039 2 0
			<hr/> <hr/> £602,354 19 10 <hr/> <hr/>

Cr.

Cash in hand and at bankers in London and branches	...	£4,560 15 10
Bills receivable	...	135,146 3 5
Investments and loans (including £3,501. 16s. 5d. balances unadjusted between the branches)	...	452,071 17 0
Office furniture in London and Turkey	...	982 3 6
Preliminary expenses	...	9,594 0 1
		<hr/> <hr/> £602,354 19 10 <hr/> <hr/>

*Profit and Loss Account for the six months ending 30th June, 1865.**Dr.*

Current expenses, including salaries, directors' fees, stationery, advertisements, rent, and all other charges — London, £3,058. 14s. 11d.; branches, £6,028. 4s. 8d., making a total of	£9,086	19	2
To balance to be dealt with as follows:—written off preliminary expenses, £959. 8s.; added to reserve fund, £2,000; carried to new account, subject to an amount for rebate, not exceeding £300, and subject to provision for bad and doubtful debts (chiefly Smyrna), the amount of which is not at present determinable, £18,979. 14s., making a total of	21,039	2	0
	<u>£30,126</u>	<u>1</u>	<u>2</u>
<i>Cr.</i>			
Balance brought forward from last account...	£6,883	1	6
Gross profits for the half-year ...	23,292	19	8
	<u>£30,126</u>	<u>1</u>	<u>2</u>

The Chairman, in moving the adoption of the report and accounts, said the directors would have had much more pleasure if, in presenting this report, they could have felt it right to recommend the payment of a respectable dividend; but, though they showed a good amount of profits except in Smyrna, the board thought it their duty to recommend that which was suggested in the report—namely, to carry over the profits to the next half-year's account, by which time they would be enabled to ascertain the actual value of their assets at Smyrna, where unhappily, the business had been conducted in a manner contrary to the desire of the directors and to the expectations of the shareholders. But the time had arrived when he was called upon to give a contradiction as to the reported losses which had occurred at Smyrna through the failure of their agents there, Messrs. Stephen Maltass and Anthony Pittaco. In the month of April they appointed a general manager, and deputed him to go over to Smyrna, but his mission proved a failure, for, instead of making the arrangements that were given him, he unfortunately differed from everybody. Another gentleman was appointed subsequently who had acted in the best possible manner in the face of great difficulties, and the result was that an arrangement was proposed which had the approval of the board. Into the details of that arrangement it would not be wise at the present moment to enter, but the principal features of that agreement were that Maltass and Pittaco, the two agents in Smyrna, whose suspension had occurred, had made over all their property, and had guaranteed a certain amount of assets due to this company. To that statement he did not mean to commit himself on the present occasion, but he trusted that the recommendation contained in the report would be approved, and that the profits would be carried on to the next half-year. But he could not help saying that the want of unanimity of feeling and harmony which had prevailed at the last meeting had had a most damaging effect; it had for a time seriously affected their credit, and had left the board in a most unenviable position. They had had great difficulties to contend against; but, in spite of hostile rumours, no man could say this association had ever failed to meet its engagements. (Applause.) He alluded to the prospect of the co-operation of parties of the highest standing, and, in conclusion, moved that the report and statement of accounts be adopted.

The Hon. Richard Thos. Rowley having seconded the motion,

A Shareholder inquired whether any information of a more specific character would be given as to these negotiations?

The Chairman said he could not do so without mentioning the names of the persons with whom they were in course of negotiation. As regarded the foundation of the arrangement, it would simply amount to a favourable opportunity of amalgamating with persons whose character and fame were known all over Europe (hear, hear), and they might be incorporated, he hoped, with this firm. The general view of such proposed arrangement would be that the holders of shares of £20 each, with £10 paid-up, would have a liability of £10. At present the shares were £50, having £15 paid-up on each share, with a liability of £35 hanging over each share. The proposition was to pay up £5, making £20 per share in the present company, and then, when the amalgamation took place, they would receive in exchange for each of those shares on which they had paid up £20 per share, two shares of the amalgamated company of £10 each.

The motion was carried unanimously.

On the question of the remuneration to be given to the auditors,

Mr. Thompson proposed that, looking to the increased labours of their auditors, their remuneration should be increased to £50; and the motion was seconded, amidst an expression of dissent.

Mr. Cooper (of the firm of Johnstone, Cooper, Wintle, and Evans), as one of the auditors, begged to remind the shareholders of the necessity of always having a good and searching audit of their accounts, and gentlemen who devoted their time to the matter had a just right to be properly paid. But he was in the hands of the shareholders.

The Chairman begged to bear testimony to the great labour which their auditors had bestowed on their accounts.

The motion was put that the remuneration be £50, which was negatived.

Mr. Green and others suggested that the remuneration should be regulated by the payment or non-payment of a dividend.

It was then moved and seconded that the remuneration be £25; and the motion was carried.

Mr. Galsworthy, one of the auditors, said that the vote having been passed he could assure the meeting that whether the grant was £25 or £50, it was a matter of small moment to him; but he could not admit the principle of making the payment of the auditors depend upon the dividend. These accounts had cost them more than three times the trouble they had had on the former occasion. Surely auditors ought to be fairly remunerated.

Mr. Peter Crellin moved a vote of thanks to the chairman, which was carried with acclamation: and the chairman having responded thereto the meeting separated.

ORIENTAL FINANCIAL CORPORATION, LIMITED.

AN extraordinary general meeting of shareholders in this corporation was held on the 12th October, at the London Tavern, Bishopsgate-street; Mr. Brown occupied the chair.

The notice convening the meeting having been read,

The Chairman explained, that with the notice of the meeting two other circulars were sent to each shareholder, one was a notice for a meeting of shareholders in the London and Mediterranean Bank, and the other a report and balance-sheet of the London and Bombay Bank. After the

London and Mediterranean Bank had agreed to amalgamate with them they applied for a settlement, which was refused. They had taken for granted that the whole of the 50,000 shares would come in, instead of which only 43,000 or 44,000 came in. Upon those grounds the settlement was refused to the Mediterranean, and they had agreed to amalgamate with the London and Bombay Bank, the capital of which was intact. The advantage of an amalgamation would be that the liabilities of the shareholders would be reduced from £40 per share to £16 per share. He then moved as follows:—"That the directors be at liberty to carry into effect the amalgamation referred to in the resolution passed at the last general meeting without requiring the fulfilment of the condition of the London and Mediterranean Bank, Limited, obtaining a settlement upon the London Stock Exchange." It was necessary to pass that resolution to enable them to amalgamate with the London and Mediterranean, and to enable the Mediterranean to amalgamate with the London and Bombay Bank.

Mr. Lysley briefly seconded the resolution, which was, after a slight discussion, carried with only one dissentient.

A second resolution authorising the voluntary winding-up of the company having been adopted, a vote of thanks to the chairman and directors, moved by Mr. Stuart, and seconded by Major Ross, brought the proceedings to a close.

LONDON MERCANTILE DISCOUNT COMPANY, LIMITED.

AN extraordinary general meeting of the shareholders of this company was held at the London Tavern on the 18th October, for the purpose of receiving the report of the committee of shareholders appointed at the last meeting, to confirm the resolution passed at the extraordinary general meeting of the company held on the 19th of September, to wind up the company voluntarily, or to pass such other resolutions as the shareholders might deem advisable. Mr. John Geary, the chairman of the directors, presided.

The chairman moved "That the resolution for winding up the company voluntarily, passed on the 19th September, be and is hereby confirmed."

Mr. Thomas Flight remarked that they had been convened to receive a report, and he submitted that that report should be read before any further business was done.

Mr. Edwin H. Galsworthy then read the report of the committee of investigation, as follows:—

"The London Mercantile Discount Company, Limited, was promoted by Mr. Archibald Kintrea; the memorandum of association is dated the 7th January, 1864; the nominal capital, £500,000, divided into 10,000 shares of £50 each, first issue, 5,000 shares; and, according to the prospectus, was formed to 'carry on and extend' the business of an 'important discount establishment'—'satisfactory arrangements' having been made 'for acquiring the business.' By an agreement dated 2nd January, 1864, between Mr. Kintrea and Mr. Whiffin, secretary to and on behalf of the British Reversionary and Investment Company, Mr. Kintrea proposed to bring out a discount company with a nominal capital of £500,000, in 10,000 shares of £50 each, first issue, 5,000 shares, he (Mr. Kintrea) agreeing to purchase the business and assets of the British Reversionary and Investment Company, which business was not, as has been supposed, confined within the ordinary limits of reversionary companies, but included the discounting of bills of exchange and promissory notes, and

which company was the important discount establishment mentioned in the prospectus of the London Mercantile Discount Company as having been acquired under 'satisfactory arrangements.' Subject to the intended discount company being established with a capital of not less than two-thirds of the issue of 5,000 shares, Mr. Kintrea covenanted to use his best exertions to successfully establish the proposed discount company, and to pay the whole of the expenses relating to the establishment of the company 'prior to the date of the allotment of shares;' the directors not to proceed to an allotment unless two-thirds of the first issue of 5,000 shares were subscribed for and taken up. On the other hand, Mr. Whiffin, on behalf as aforesaid, covenanted with Mr. Kintrea to exchange the shares of the British Reversionary and Investment Company, amounting to 1,580 in all, for the like number of shares in the proposed discount company; and in case the proposed discount company should purchase the goodwill of the business of the British Reversionary and Investment Company at the sum of £9,000 and take to their assets and liabilities, then the British Reversionary and Investment Company would, out of the £9,000, pay to Mr. Kintrea £5,000 in consideration of his 'services, risk, and expenditure,' and would give the proposed discount company a sufficient amount of good debts, cash, &c., to balance the liabilities of the British Reversionary and Investment Company. At a meeting of the subscribers of the London Mercantile Discount Company, consisting of Messrs. James Barrett, Henry A. Hutton, Richard Ladell, Frederick Slack, Richard Buller, John Parry, and Andrew Forsyth (each of whom subscribed for five shares, which, as soon as the company was formed, were transferred to Mr. Kintrea), held on the 8th January, 1864, at Mr. Kintrea's offices, the agreement referred to, dated the 2nd January, 1864, was read, agreed to, and adopted; and it was resolved that the common seal of the London Mercantile Discount Company be affixed to a second agreement, one between the London Mercantile Discount Company and Archibald Kintrea, which was also 'read, considered, and adopted,' for carrying into effect the before-mentioned purchase of the British Reversionary and Investment Company; at this meeting Messrs. J. W. C. Aylett, G. Anderson, George Bermingham, Henry Chateris, F. H. Gilbert, John Geary, and Edmund Clench, directors of the British Reversionary and Investment Company, and John Denton, E. T. Gourly, and James Rymer, were appointed directors of the Discount Company. This second agreement, dated the day of the subscribers' meeting, namely, 8th January, 1864, in reciting that part of the first agreement, dated 2nd January, 1864, which states that Mr. Kintrea had agreed to pay the expenses of the establishment of the proposed discount company 'prior to the date of the allotment of shares,' contains the important words, not to be found in the first agreement, namely, 'provided no allotment of shares be made.' In other respects the second agreement coincides with the first, covenanting that the directors of the London Mercantile Discount Company shall not proceed to an allotment unless two-thirds of the first issue of 5,000 shares be subscribed and taken up; to give London Mercantile Discount Company's shares for British Reversionary and Investment shares; to give £9,000 for the goodwill of the British Reversionary and Investment Company's business; and to take the debts and liabilities upon the same terms as those mentioned in the first agreement. The first agreement divides the £9,000 into £4,000 for goodwill, and £5,000 for Mr. Kintrea, for which he was absolutely to pay 'all expenses prior to the allotment of shares' in the new company; but the second agreement puts the £9,000 as for the goodwill only, and differs further and most materially from the first (although both agreements are by the minutes said to have been considered, agreed to, and

adopted), inasmuch as Mr. Kintrea by it was to pay the said expenses, not absolutely, but provided 'no allotment of shares be made.' The prospectus of the London Mercantile Discount Company having been some time before the public, and about 3,000 shares only (*viz.*, about 1,420 by the public, and 1,580 by the British Reversionary and Investment Company's shareholders) having been applied for, and not two-thirds, as required by the agreements, Mr. Hardwick, of the firm of Messrs. Sole, Turners and Hardwick (introduced, as your committee believe, by Mr. Kintrea), at a meeting of the directors of the London Mercantile Discount Company, held on the 18th January, 1864, 'attended and submitted to the board a proposal for their acquiring by purchase the business of a certain discount firm; but before giving the name of the firm in question, he wished them to understand that the matter came to him through the introduction of Mr. A. Jay, who stipulated that he should receive a fee of £2,000, provided the directors came to terms with the parties, and concluded the purchase. Mr. A. Jay was then introduced, and requested before proceeding further, that a resolution should be passed, agreeing to pay him the above sum; whereupon it was agreed to by the board. Mr. Hardwick then, at the request of Mr. Jay, 'informed the board that the firm was Messrs. Womersley and Burt's, and gave the terms and conditions upon which they were willing to transfer their business, and identify themselves with the company.' After discussion, it was resolved—'That a committee, *viz.*, Messrs. Bermingham, Geary and Gilbert, be appointed to conclude the negotiations for the purchase of the business submitted by Mr. Jay.' Negotiations were thus commenced for the purchase of Messrs. Womersley and Burt's business; and at a meeting of the committee, held 25th January, 1864, at which your solicitor, Mr. Lewis, was present, the books of Messrs. Womersley and Burt were, as your committee are given to understand, requested as evidence of the stated profits of the business; and the request having been refused, for reasons then given, the negotiations were for the moment suspended; but at a meeting on the following day, to which Mr. Lewis was not summoned, the point seems to have been waived. The committee concluded an arrangement, which was confirmed by the board, for the purchase of Messrs. Womersley and Burt's business for the sums of £13,000 in cash, and £13,000 in shares, varying according to profits; the minimum being £10,000 cash, and £10,000 in shares. Under a deed embodying this arrangement, Messrs. Womersley and Burt were appointed directors of the company for a period of three years from 1st March, 1864, one to attend daily, as a member of the daily committee, at a salary of £750 a year each: Messrs. Womersley and Burt being bound, under a stringent covenant, not to enter into discount business on their own account for a period of fifteen years from 1st March, 1864. Concerning the power of the board to make the preceding salaried arrangement, and as to the liability of Messrs. Womersley and Burt to refund the salaries paid, questions may arise hereafter. On the conclusion of the arrangement with Messrs. Womersley and Burt, further applications for shares were soon received; and in the allotment of the shares 1,380 instead of 1,580 were allotted to the British Reversionary and Investment Company's shareholders, and the balance of the 5,000 to the public. The short allotment or difference between 1,380 shares which were, and 1,580 shares which were to have been allotted to the British Reversionary and Investment Company's shareholders, *viz.*, 200, fell upon Mr. Edmund Clench, who instead of getting 300 shares in the new company in lieu of 300 in the old, got 100 only in the new company, and was compensated for the non-allotment of 200 shares of £5 each by the payment of £1,000 in cash. In due course the agreed sum of £5,000 was paid to Mr. Kintrea, and £4,000, the

balance of the £9,000 for good-will of the British Reversionary and Investment Company's business was put to the credit of the British Reversionary Investment Company's assets. Shortly afterwards accounts were sent in to the company for certain 'expenses prior to allotment,' which the secretary, on 12th February, 1864, forwarded to Mr. Kintrea, as having been sent to the company instead of to him. Mr. Kintrea wrote, on the 20th February, 1864, 'perfectly astonished' at being asked to pay the debts of a company from which he had 'never received a shilling.' The directors were advised by the solicitor that, under the agreement of the 2nd January, 1864, Mr. Kintrea was clearly liable, but a committee, consisting of Messrs. Geary, Gilbert and Birmingham, was appointed to meet and confer with Mr. Kintrea on the subject; and, notwithstanding your solicitor's advice, the committee reported, on the 1st of March, 1864, that the company was liable, and became so under the ninety-fourth clause of the articles of association—the committee considering the whole case rested on the articles of association and the agreement of the 8th January, 1864 (in which, as has already been explained, were inserted words not to be found in the first agreement), ignoring, apparently, altogether the first agreement, that dated the 2nd January, 1864 (under which the solicitor had advised that Mr. Kintrea was liable); and the company consequently paid the expenses, amounting in all to upwards of £700. Whether Mr. Kintrea is liable for the return of, or whether the directors are not personally liable for the amount thus paid, are questions for your legal advisers. The resources and business of the British Reversionary and Investment Company appear to have been small, and looking at the £5,000 as having been paid to Mr. Kintrea as promotion money, your committee will not discuss whether the good-will of the business was worth the remaining £4,000, seeing that that sum was mainly a matter of account—the British Reversionary Company's shareholders not having divided any cash. With reference to Messrs. Womersley and Burt's business, those gentlemen have stated to your committee that they did not seek to sell their business, but were sought by Mr. Hardwick; and in regard to Mr. Hardwick's statement 'that the matter came to him through the introduction of Mr. Jay,' Messrs. Womersley and Burt state they did not know Mr. Jay, nor had they at the time of the negotiations any knowledge of an introduction fee. Your committee, at an interview with Messrs. Geary and Gilbert, were told by those gentlemen, in reply to a question upon what evidence of the value of Messrs. Womersley and Burt's business the directors agree to pay the sums mentioned in the deed, that they had made inquiries at the time, and found Messrs. Womersley and Burt to be highly respectable, and had been told that it was not usual in such cases to have the books produced. Mr. Geary did not remember sufficient of what took place at the time of the negotiations to be able to afford your committee any positive information; but two of the committee who negotiated with Messrs. Womersley and Burt, viz., Messrs. Birmingham and Gilbert, have stated that the business was represented to them by Messrs. Womersley and Burt as yielding large profits, certainly upwards of £5,000 a year; also that Messrs. Womersley and Burt stated the business was capable of great extension, and that there would be for the future working of the company deposits to a considerable extent. Messrs. Womersley and Burt entirely deny having made any such statements; but say that, on the contrary, they stated at the time they would not pledge themselves to any figures. Under these circumstances, and finding that Messrs. Womersley and Burt's books were not in possession of the company, your committee ask those gentlemen to produce them (the committee being of opinion, as they informed Messrs. Womersley and Burt that their books became the property of the

company on the purchase of the business), but Messrs. Womersley and Burt declined doing so. Messrs. Womersley and Burt have attributed the failure of the business to the want of capital, and have stated that they were not aware at the time of the transfer of their business of the heavy sums the London Mercantile Discount Company was under engagement to pay to Mr. Kintrea and others, and that they were under the belief that further shares would have been issued and more capital called up. The heavy preliminary payments and the small capital to work upon appear to your committee to have been the main cause of failure, the bad debts not appearing to be disproportionate to the amount of the bills discounted. Whether, however, Messrs. Womersley and Burt's business was worth what the directors agreed to pay for it, is a question the shareholders generally can as well judge as your committee; but to enter into a deed, covenanting in any case to pay those gentlemen a heavy sum for a business concerning the value of which no positive evidence was stipulated for or produced, was a course which your committee cannot too strongly condemn. Your committee find that, under the head of salaries, in the company's accounts, is included sums taken by the directors for committee fees at the rate of £300 a year, which they consider to be contrary to clause 77 of the articles of association, which states that the directors shall be remunerated for their services as may from time to time be fixed by the shareholders; and the liability, therefore, of the directors to refund will be a further question for your legal advisers. Your committee, in the course of the various meetings they have held, examined carefully the last printed statement of account or estimated balance-sheet, issued on the eve of the general meeting held on the 19th September; and although they do not agree in the balance there shown of assets over liabilities, yet they trust that with careful management matters may be so arranged as at least not to entail any further loss upon the shareholders. With every desire to save as much as possible of the proprietors' property, your committee suggested to Messrs. Womersley and Burt, that, looking to the present position of the company, as estimated in the printed statement referred to, and bearing in mind the large cash sums they received and have retained for the goodwill of their business, viz., £10,000, they should propose to take the company's offices, goodwill of the business, assets and liabilities into their own hands, upon an undertaking to pay back so much per share to the proprietors; but those gentlemen declined to entertain the suggestion, nor have they made any counter proposal. On the 10th instant your committee were requested by resolution of the board to state when a copy of their report would be furnished to the directors, to which a reply was sent that the report of the committee would be ready for submission to the meeting of shareholders on the 18th instant, in accordance with the resolution passed at the meeting on the 19th of September. In submitting the preceding outline of facts to the shareholders, your committee recommend that, subject to the approval of liquidators, whose nomination the committee prefer to leave entirely to the shareholders, and who shall be empowered to seek the assistance of the court if necessary, the voluntary winding-up of the company be confirmed and proceeded with; for looking at the past management and results, they consider that course far preferable to making further calls upon the shareholders for the purpose of carrying on the company at, in all probability, still further loss.

"GEORGE A. ADDISON.

"JOHN BOYD.

"EDWIN H. GALSORTHY.

"GEORGE WHIFFIN.

"17th October, 1865."

The chairman inquired if any one had any observations to make?

For some time there was no response. At length—

Mr. J. Flight said as no one else rose he would make a few observations. It appeared to him that the interests of the company had not been looked as well after in this concern as had the interests of the directors. He observed that a charge was made of £300 for fees to the directors. Now he distinctly recollected that at a former meeting it was stated that no salary would be paid to the directors except with the approval of the general body of shareholders, and the shareholders had never sanctioned any such payment. He should like to know whether any further outgoings in the shape of salaries were going on, and if so to what amount. He also wanted an explanation as to how the property of the shareholders had been sacrificed. What they had got was the suspended business of Messrs. Womersley and Burt. Unless some satisfactory explanation on these points was afforded him he should seek it through the medium of the Court of Chancery.

Mr. Alger said that he should like to know how it was that the directors permitted Mr. Edward Clench to forego the allotment of 200 shares, and give him £1,000 in lieu thereof. He should be quite ready to join Mr. Flight and others in having these matters investigated by the Court of Chancery. He should also like to know who were the original subscribers to this company who signed the articles of association. He believed that they were clerks in the office of the promoter, and persons of that class, who each took five shares, and made up the magic seven who could, by law, form a company for any purpose whatsoever, and when it was formed these five persons passed any resolution which their lord and master put before them. On that they purchased the British Reversionary and Investment Company, which was not formed as a discount company but was one under a guise. He could not understand how the directors of this company could have entered into such a transaction as this. The report of the committee was a very long document; it had only just been placed before them, and he thought the best course would be to adjourn the meeting in order to give them time to consider it.

Mr. Morris (solicitor) said the committee had properly abstained from forming any judgment on the facts which they had rather undercoloured than overcoloured. With regard to the parties who signed the articles of association, he believed it was a common practice to get the formal document signed by almost any person they could get hold of. But he thought that the articles of association of this company had an importance which they did not possess *per se*. There was a point to be considered, which was whether the whole thing was not rotten and unsound from the beginning. (Hear, hear.) What did they find? Why, that certain parties interested in another company, called the British Reversionary and Investment Company, conceived a plan of getting out of that company, not by selling it to *bona fide* parties who would purchase it, but by getting up another company; and what they did in effect was to continue the British Reversionary Company with a new name. It seemed to him to be useless to go into such matters of detail as whether the directors had received £300 and Mr. Clench £1,000; but if the promoters of this company had palmed off something on the shareholders which was not what was represented; if they had done that which in the language of the Court of Chancery was called a fraud, they must indemnify the shareholders of this company. He suggested that counsel's opinion should be taken on this point.

Mr. Lewis said if they wanted to aggravate the present position of affairs,

and have still further losses to lament over, they would adopt Mr. Morris's suggestion. In order to show that he (Mr. Lewis) was a thoroughly unprejudiced person, he might inform them that he had nothing to do with the formation of the company, directly or indirectly. He did not know of its existence until it was formed, and he never was advertised as its solicitor. But after the company was formed, it was a question whether the business of Messrs. Womersley and Burt should be purchased, and he was called in. He had no connection with the British Reversionary and Investment Company, and therefore he entered into the matter as a stranger. So far as regarded the suggestion of Mr. Morris, he did not hesitate to say that it would be an utter delusion on the part of the shareholders to cause any delay in the winding up, still less to incur any expense. The original prospectus of the company stated that it was formed for the purpose of taking up another business, and he believed that at that time the writer of the money article in one of the journals made the significant remark that the promoters did not condescend to state what the business was. But by the articles of association, which unfortunately by the law of the country were held to be a distinct notice, the name of the company was distinctly referred to, and by clause 7 it was stated that the directors should carry into effect any contract which had been made on behalf of the company with the British Reversionary and Investment Company. The committee had not been able to show that any one person connected with the British Reversionary and Investment Company had received any benefit from this contract, and at the time that company was entirely out of debt, except the ordinary current liabilities. And it was not the case, he believed, that Mr. Kintrea was himself a shareholder of that company. With regard to Mr. Clench, it appeared that instead of having to take £500, he was lucky enough to get more.

Mr. Morris remarked that Mr. Clench was Mr. Kintrea's partner.

Mr. Lewis said it might be so, but that did not lessen the effect of that which he was stating; for, with the exception of Mr. Clench getting £1,000, not one of the directors of the British Reversionary Company obtained any cash or any advantage by the transfer. The case stood thus, that this company was formed to take over the business of the British Reversionary Company. Whether that was a good bargain or not was another question, but there did not appear to be the slightest fraud in the history of the case, and he thought the shareholders would do themselves a serious injury by taking the matter into the Court of Chancery.

Mr. Morris said what he had advised was, not that they should commence a suit, but that they should take the opinion of counsel.

The Chairman said he was placed in a very painful position. The report which had been read to them went deeply into the details of the company. The directors applied to have a copy furnished them in time for them to consider it before the meeting, but that was refused, and they were, therefore, quite unprepared to say a single word upon it, except this, that they had not done one single act which would not bear the light of day. They were the largest shareholders in the company, and had lost their own money. With regard to the question of adjournment, the directors wished to wind-up as soon as possible, and it was requisite that the order to wind-up should be confirmed within a month. The fees had been alluded to. He distinctly stated at the last meeting that all that was received was £75 a quarter for the daily attendance. It did little more than pay his cab hire. They declined to draw the cheques last month, and they were doing all they could to save expense. With regard to Mr. Clench, more shares were applied for than they had shares to allot. Mr. Clench was to have had

300 in lieu of those he held in the old company, but he let another applicant, A B, have 200, and the directors paid Mr. Clench the premium he could then have sold them at. He did not see how it made any difference. (Laughter.)

Mr. Addison said they were told that at the annual meeting the directors said they would not take any fees, but he would remind them that a resolution was put that they be paid a salary, and that it was negatived. Nevertheless, after that, they took fees for six months, and the chairman's cab-hire, it seemed, was rather expensive, for out of £300 he took £156, and the remaining £144 was divided among the rest. He thought they ought to have the opinion of some eminent counsel as to whether the British Reversionary Company was not liable to this company.

A Shareholder inquired who was Mr. Kintrea.

Mr. Addison said they were told he was a partner of one of their directors, and in many of the companies that he got up Mr. Kintrea appeared as one of the directors. There was one point with regard to Womersley and Burt; that Mr. Burt distinctly told them he would not say that the business of his firm was worth even £1,000 a year. "Then," said Mr. Lewis, "I advise you to have nothing to do with it." The meeting was adjourned, and at the next meeting, Mr. Lewis being got rid of, the purchase was effected.

Mr. Galsworthy said it was right that it should be known that at the time of the transfer the British Reversionary had, besides the £6,900, a capital of £9,000 of other people's money, with which they were working. But he would dismiss them without further remark, because nothing was divided among them. The prospectus stated that the company was formed to take up the business of another company, and the articles of association stated what company it was; but unfortunately parties when they applied for shares did not often look at the articles of association. The main point in the report was what was called the second agreement, which he must confess was the most ingenious thing he had seen. By the alteration of a few words the company were charged with £700. Another point was, that when the company had been some time before the public two-thirds of the shares had not been applied for, and in his opinion Mr. Kintrea ought to have then been told that he had not fulfilled his contract; but instead of that he was allowed to introduce a Mr. Hardwicke, who in his turn introduced Mr. Jay as the seller of the business of Messrs. Womersley and Burt. He got £2,000 for that, though it appeared that Messrs. Womersley and Burt did not even know him, and that he entered into the negotiation without their knowledge. The getting of that £2,000 was a piece of ingenuity which ought to be held up for the admiration of a discerning public. He did not say that the business of Womersley and Burt was a bad business; but it was another question whether it was worth the sum they gave for it. That their directors should agree to give £10,000 for a business the value of which was not established appeared to him monstrous. He thought the best thing the company could do was to wind-up voluntarily. That would not prevent any one taking counsel's opinion on any one of these points if he pleased. He did not think there was anything like fraud in the inception of the company. He thought that Messrs. Womersley and Burt's books ought to have been given up when the purchase was made; but that had not been done.

Mr. Whiffin said that the capital of the British Reversionary was about £8,000, and they had about £10,000 deposits. Out of the £4,000, £2,300 was paid for preliminary expenses, a sum was devoted to an ad interim dividend, and a small sum was paid to the directors; and with regard to

the shareholders themselves, they had exchanged a liability of £5 a share for a liability of £45.

After some further discussion, principally on the question of adjournment, in the course of which the chairman stated that the directors intended to publish a full reply to the report of the committee, the motion confirming the resolution to wind-up was unanimously agreed to.

Mr. Addison then moved that the proceedings of the meeting be further adjourned till Friday, the 27th instant, and that the committee be requested in the meantime to take counsel's opinion on the various points which had been raised.

Mr. Zuccani seconded, and this motion was likewise agreed to.

The meeting then separated.

THE CREDIT FONCIER AND MOBILIER OF ENGLAND, LIMITED.

THE half-yearly general meeting of the shareholders of this company was held on the 24th October, at the London Tavern; the Right Hon. James Stuart Wortley, governor, in the chair, for the purpose of receiving the directors' report and declaring a dividend.

The following report was taken as read:—

"The directors have much pleasure in presenting their second report to the shareholders, but before entering upon its details desire to call attention to the general scope of the observations made in their report dated 8th April last. A reference to that report will show that the objects which the directors had in view were, the declaration of such a dividend as might be permanently maintained, and which they fixed at a minimum of 20 per cent. per annum, the establishment of a fund to be called the dividend reserve fund, for the purpose of insuring the due payment of such dividend, and generally to place the business of the company on so solid a basis as to secure the confidence of the public, and render its shares a safe and highly desirable investment. The directors also committed themselves to an opinion that the apprehensions so generally entertained of disastrous consequences to the commercial world upon the close of the American war were groundless, and they concluded their report by an expression of their confident belief that a continuance of profitable business would not be wanting. The American war has terminated, but the predicted disorganisation of commercial affairs has certainly not followed that event; and it will be seen by the balance-sheet which the directors have now the pleasure to lay before the shareholders, that the result of the business transacted by the company during the last six months has been so profitable as fully to confirm the directors in their predictions of results for the present half-year equally satisfactory to those realised during the previous six months. On reference to the statement of accounts annexed, it will be seen that the sum to the credit of profit and loss account (after paying all charges, expenses, and outgoings, including income-tax on dividend and bonus), and, therefore, net profit available to 30th September last, is £180,805. 4s. 9d. The directors recommend that, out of such profits, the sum of £30,000 be carried to the 'dividend reserve fund,' which will increase that fund to £100,000. The above mentioned appropriation will leave £150,805. 4s. 9d., out of which the directors recommend a dividend of 10s. per share (equal to 20 per cent. per annum), and in addition thereto, 10s. per share as a bonus (equal to 20 per cent. per annum), both free of income-tax, being

together £1 per share, or at the rate of 40 per cent. per annum, the same as distributed last half-year. The payment of this dividend and bonus will absorb £100,000, and the directors call the attention of the shareholders to the fact, that after providing for this large dividend and bonus, and increasing the dividend reserve fund to £100,000, the general reserve fund being £200,000, they will be enabled to carry forward the large sum of £50,805. 4s. 9d. to the credit of next half-year's profit account. These results, the directors feel assured, will be as gratifying to the proprietors as they are to themselves; they have been attained by great attention on the part of all concerned in the administration of the company's affairs. The directors have also the satisfaction to state that in addition to these pecuniary results, the company's influence has steadily progressed. This is abundantly attested by the offers of combinations in lucrative financial operations, from eminent private firms as well as companies and corporations, but which the directors are unable to fully avail themselves of by reason of the inadequacy of the present capital of the company, which compels them to decline valuable business daily. Although, however, the company has thus increased in prosperity, the directors feel they are called upon not to ignore the injurious reports which from time to time have been circulated against it. In utter disregard of facts, rarely, if ever, has any commercial association been so recklessly aspersed, or so unwarrantably assailed: the directors, however, are more than consoled by the reflection that rarely, if ever, has a company achieved so remarkable a success. Without attributing such reports to unworthy motives, they prefer to consider them as emanating from a not uncommon prejudice against new forms of commercial enterprise. It will not be requisite to remind most of the shareholders that many companies formed on new principles, in their earlier stage have had to pass through a somewhat similar probation, the most prominent and recent instances being, perhaps, the company which first introduced joint-stock banking: the company which inaugurated joint-stock discounting as well as the principle of limited liability; and one or two of the leading marine insurance companies which first undertook joint-stock underwriting. The directors refer to those instances because, notwithstanding the well known present success of those institutions, they were, at the commencement of their career, subjected to as large an amount of prejudice and unfair criticism as this company has had to suffer, in consequence of its being one of the first to introduce the then new principle of joint-stock finance. The balance-sheet now presented to the shareholders affords perhaps the best answer to these aspersions. The directors desire emphatically to state that, in examining the accounts of the company, with a view to ascertain the rate of dividend which it would be proper to declare, they have in all cases made ample allowance for every contingency. In order to put the position of the company fairly and without exaggeration before the shareholders they have in every instance valued the assets below the lowest market value of the day; and it has ever been the object of the directors so to conduct the business of the company as to realise the largest amount of profit consistent with the avoidance of excessive risks. It is a fact that the position of the company's affairs at this moment is such, and its investments are of that sound character, that, if necessary, the company could be immediately wound up and brought to a close by the distribution of assets amounting to £850,805. 4s. 9d. among the shareholders, represented by—The paid-up capital of £500,000; the general reserve fund, £200,000; the dividend reserve fund, £100,000; the balance of unappropriated profit, £50,805. 4s. 9d.—total, £850,805. 4s. 9d.; equal to above £8. 10s. per

share. Before leaving this subject, the directors wish to place on record their deliberate opinion and conviction that this company is destined in a very short period to take a foremost place among the leading monetary institutions of the country. Adverting to the remarks made at the conclusion of the last report, and also in the present one, as to the insufficiency of the capital of the company for the transaction of all the business which it would be disposed to accept, and to the great success which has attended its operations in spite of the comparatively limited amount of the capital at its disposal, the directors feel assured that the shareholders will learn with satisfaction the determination of the board to increase the capital to the full amount authorised by the articles of association, viz., £4,000,000, by the issue of 100,000 new shares, on which £3 per share only is intended to be called up. These 100,000 new shares the directors propose to issue as follows, viz.—50,000 shares will be offered to the shareholders in this company who shall stand registered on the books of the company on Friday, the 20th October next, to be allotted in the proportion of one new share for every two shares then held, such new shares to be issued to them at a premium of £2. 10s. per share; the remaining 50,000 shares to be offered to the general public (which, however, is also to include such shareholders as may wish to apply for shares in addition to those they are entitled to as shareholders), such shares to be issued at a premium of £3. 10s. per share. The premiums to be received upon this issue will amount to £300,000, which will be added to the £200,000 already standing at the credit of the general reserve fund, and will thus increase that fund to £500,000. The paid-up capital will then be £1,000,000. The new shares will be paid up as follows, viz.:—On those issued at £2. 10s. premium to the shareholders, £1 per share on application being on capital account; £1. 10s. per share on allotment, £1 being on capital account, and 10s. on premium account; £2. 10s. per share on 1st January, 1866, £1. 10s. being on capital account and £1 on premium account; £2. 10s. per share on 1st March, 1866, £1. 10s. being on capital account and £1 on premium account; being £5 capital, and £2. 10s. premium. On those shares issued at £3. 10s. premium to the general public, the following will be the mode of payment:—£1 per share on application, being on capital account; £2. 10s. on allotment, £1. being on capital account and £1. 10s. on premium account; £2. 10s. on 1st January, 1866, £1. 10s. being on capital account and £1 on premium account; £2. 10s. on 1st March, 1866, £1. 10s. being on capital account and £1 on premium account; being £5 capital, and £3. 10s. premium. These 100,000 new shares will participate in the next distribution of profits *pro rata* with the existing shares, according to the amount of capital paid up thereon: the valuable option will be, however reserved to the holders of these shares of paying upon any of them the whole of the above instalments, at any time previous to the date of the last instalment, viz., 1st March, 1866, on paying the company back interest from the date of such payment to 30th September last, at the rate of 20 per cent. per annum; such shares so paid-up to be then entitled to the same amount of profits next half-year as is declared on the existing shares. The directors are aware that in thus admitting the public to subscribe for shares, at a price so much below their value, they are departing from the practice generally adopted in an issue of new shares, of offering the whole of them to the shareholders; but the directors are so impressed with the importance of increasing the area of influence of this company—influence second only in importance to capital to a company like the Credit Foncier and Mobilier of England—and have had such proofs in the result of the

issue of shares a year ago, of the sound policy of admitting the public to a participation in such issue, that they feel confident of obtaining the approval of the shareholders in the course they have adopted. The following calculation will guide investors in estimating the intrinsic value of the shares, after the dividend and bonus now declared are paid, and when the issue is completed :—The general reserve fund will stand at £500,000; the dividend reserve fund, £100,000; in hand, profits not divided £50,805. 4s. 9d.; total, £650,805. 4s. 9d. Equal to above £3. 5s. per share on the whole 200,000 shares. So that the public, on subscribing at £3. 10s. premium per share, are being admitted partners in this company by only paying 5s. premium as premium; £3. 5s. per share being actually represented in value in the assets of the company. It follows, therefore, that the shareholders are practically receiving a bonus of £1 per share on each share they subscribe for, by getting their shares at £2. 10s. per share premium. Over and above these advantages, there is the probable enhanced value which will attach to these shares in the same way that the shares issued to the public at £2. 13s. 4d. premium in September, 1864, after having received £1 per share in April last as dividend and bonus, are now worth £4. 10s. per share premium, being in one year more than 100 per cent. increase on the amount paid for premium. The directors feel that with a paid-up capital of £1,000,000, a general reserve fund of £500,000, a dividend reserve fund of £100,000, making a total of £1,600,000, they will be in a position to meet the exigencies of any business that may be brought before them. It is, however, the intention of the directors to increase out of future profits the dividend reserve fund to £200,000, being in accordance with the plan announced in the last report, to have always in hand one year's dividend at 20 per cent. per annum, calculated on the amount of the capital paid-up for the time being. In conclusion, the directors have much pleasure in expressing their conviction that, from the business proposals now under consideration and in part concluded, the past management and operations may be accepted as an earnest of the future success of the company.

Balance-sheet from 8th April, 1865, to 30th September, 1865.

Dr.

Capital authorised, £4,000,000, in 200,000 shares of £20 each.

Capital subscribed, £2,000,000, in 100,000 shares of £20 each.

Capital paid-up, £5 per share on 100,000 shares	...	...	£500,000	0	0
Bills payable	...	...	17,500	0	0
Sundry creditors	...	...	79,413	19	8
Depositors, loans, &c.	...	...	269,423	19	2
Debenture holders	...	...	72,830	0	0
General reserve fund	...	...	200,000	0	0
Dividend reserve fund (to 8th April, 1865)	...	...	70,000	0	0
Profit and loss—balance at credit of this account carried down...	...	...	180,805	4	9
Guarantees:—City offices debentures, per contra, £300,000; on bills receivable, rediscounted, and sundry other contingent liabilities, per contra, £257,620					
			£1,389,973	3	2

Cr.

Cash at bankers' and at call	...	...	£172,040	6	10
Bills receivable, securities, loans on securities, &c., and sundry debtors	...	...	1,217,932	16	4
Guarantees:—City offices debentures, per contra, £300,000; bills receivable, rediscounted, and sundry debits, per contra, £257,620					
			£1,389,973	3	2

Profit and loss account from 8th April, 1865, to 30th September, 1865.

Amount carried to dividend reserve fund	...	...	...	£30,000	0	0
Dividend of 10s. per share and bonus of 10s. per share (free of income tax) on 100,000 shares, equal together to 40 per cent. per annum	...	...	...	100,000	0	0
Balance unappropriated, carried forward to profit and loss new account below	...	...	...	50,805	4	9
				<hr/>		
				£180,805	4	9

Amount brought down, being net balance after deducting all current expenses, advertising, salaries, and all expenses of management, printing, stationery, directors' allowances, &c., and income tax on dividend and bonus	...	...	...	£180,805	4	9
				£180,805	4	9

GENERAL RESERVE FUND.

Amount to credit of this fund brought down from balance sheet	£200,000	0	0
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DIVIDEND RESERVE FUND.

Amount to credit of this fund to 8th April, 1865, brought down									
from balance-sheet	...	...	...	...	...	...	£70,000	0	0
Amount now added, brought down from profit and loss account							30,000	0	0
							<u>£100,000</u>	<u>0</u>	<u>0</u>

PROFIT AND LOSS NEW ACCOUNT.

Amount unappropriated brought down from profit and loss account	£50,805	4	9
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The Chairman then said, that as he knew they were men of business, and that, therefore, their time was valuable, he would not detain them by any lengthened observations. This was the second meeting of this great society; and he said great society deliberately, for although some critics and detractors of its fair fame sought to spread abroad reports injurious to it, there was no denying the fact that, after twelve months of its existence, it had secured an importance in the eyes of the commercial public which could not be mistaken. (Hear, hear.) Without detaining them by any general observations, he must say that it was the wish of the directors that every information should be given to the shareholders with respect to the business transacted and the mode of doing so. This Company, it must be recollected, was no ordinary one; there were public interests involved which required that confidence should be maintained, and prevented disclosures being given to the public at large; but, except in cases of that description, the directors were anxious to give every information in their power to those who had an interest in it. (Hear.) They must, however, remember that it was utterly impossible the directors could disclose the private transactions of their friends and clients to a public meeting like the present and in presence of the public press. (Hear, hear.) Such a course was never adopted by the great houses of Rothschilds and Baring Brothers, and he was quite certain the shareholders would not expect the directors of the Credit Foncier and Mobilier of England to adopt so unusual and

unwise a proceeding. Any questions, however, which might be put the answers to which, if given, would not be injurious to the Company, he should be happy to answer. On the part of the directors he claimed the confidence and support of the shareholders. They were responsible for the management of the Company, and if the shareholders felt dissatisfied they had it in their power to relieve them of their responsibility whenever they thought fit. They had the report before them, and if the present condition of their affairs excited any feeling of alarm amongst them they had a very easy method of getting rid of those who now managed their affairs. With respect to the balance-sheet, he would not go into details, but would call their attention to two or three points. They would find in it every information; and although every transaction in their business was not formally disclosed they would find everything essential for them to know stated in the clearest manner, so as to give them a correct notion of the soundness and stability of the Company. (Hear.) They would find the amount of bills payable reduced to £17,500, which, compared to the capital of the company, was a very small sum indeed, and they would also observe that there had disappeared from the balance-sheet furnished in April last, for office furniture, fixtures, &c., the sum of £8,000, and another item of £7,183, for what was termed preliminary expenses, had also disappeared. There was another item at the credit side of the account to which he also wished to refer. They would find that the amount of bills receivable was £1,217,930, and he must remind them that if they examined the balance-sheet of similar establishments they would find that it was the practice to give no further particulars. (Hear.) He would now call their attention to the present position of the company. And, as regarded that, he held it to be impossible for its greatest and most inveterate enemy to say that, under the guidance of the present board of directors and the managing director, it had not within the last twelve months achieved the character of being one of the most prosperous companies in the United Kingdom. (Cheers.) Notwithstanding this state of facts, however, information had reached him from many quarters that certain persons were spreading rumours injurious to its reputation and stability, which in many instances alarmed persons who could not judge for themselves, and drove them into the market to sell their shares at a great disadvantage. They were, however, he was happy to inform them, above that sort of thing at present, and could assure those shareholders whom he then had the honour to address that they might hold up their heads aloft and despise these insinuations and rumours spread abroad to injure and depreciate their property. (Hear, hear.) He could assure them, from his own personal knowledge, that the promises made in April last by the directors had been rigidly confirmed. That the multitudinous transactions of their company had been of the most solid character, and that the only difficulty the directors had to contend with was to make a selection from among the securities placed at their disposal. (Hear, hear.) They saw in the dividend the result of what had been done. (Hear, hear.) They had a net balance in their profit and loss account, after deducting all expenses, of £180,000; a half a million of their capital was paid up, and the directors recommended them to follow the advice given in April last—namely, that their minimum dividend should be 20 per cent. Their dividend reserved fund amounted to £100,000, and, looking at all the advantages acquired by the bank, the directors thought the more prudent course would be to give them 20 per cent. for the half-year, and a bonus of the same amount, which would make an aggregate of 40 per cent. per annum, or as he already said of 20 per cent. for the half-year, leaving a sum of £50,000 to be placed to their credit. They might have divided

that amount, but in a great concern like the present they thought it better to bring over that amount to the next account. (Hear.) Having now made that statement he would leave the final decision in the hands of the shareholders. The nominal capital of the company, he begged to remind them, was four millions; the capital issued was two millions, of which £500,000 had been paid up at £5 per share, and, as far as they could foresee, there was no expectation of having to call for any more, always supposing the shareholders consented to extend the powers of the directors, by enabling them to augment their capital—by the issue of 100,000 shares—from half a million paid-up to one million. (Hear, hear.) That proceeding would increase their status in the commercial world, and would give their operations greater vigour and elasticity. That course was determined on, after full and anxious deliberation, in order to benefit the present shareholders, and to give the general public greater confidence in the company. Those who held shares would be entitled to a premium of £2. 10. on shares worth £4. 10s. or £5 in the market; and those who took new shares would have them at £4 a piece. (Hear.) Now, with respect to their reserved fund, some shareholders wished to know what had been done with it. Well, he would not go into details, but while he assured them that it was held on the best possible security, he would remind shareholders that the public funds were not the most profitable investment that could be chosen. They were always affected by events which might any day occur in Europe, and he believed that, except in the case of trustees who were bound by will to invest money in the Three per Cents., very few, nowadays, put their money in the funds. Their reserved fund was held in securities which could be made available at any time; and if they did not invest it properly it might be said of them what was said in the Gospel of the man who buried his talent, that they “were idle and unprofitable servants.” (Hear, and a laugh.) On the whole he had the most perfect confidence in the prosperity of their company, which he believed would turn out to be a sound monetary system, forming a part in the government and well-being of this great country. (Cheers.) The right hon. gentleman concluded by moving the adoption of the report.

Mr. Levick (deputy-governor) seconded the motion.

Mr. Merriless complained that in the profit and loss account the shareholders had no information of what the cost of their business amounted to. He had no desire to find fault with the directors, nor did he at all approve of captious objections, but he thought a statement such as he suggested might be made with great advantage.

Mr. Bernard wished to be informed whether the directors intended to appropriate the new shares *pro rata*, or keep the power to themselves of distributing them to parties of influence whose names they should like to see on the register.

The Rev. Dr. G. Brown complained that the issue of the new shares would be more profitable to the public than to the present shareholders. According to the arrangement alluded to by the chairman, they would be enabled to get the shares for £1. 15s. each, while the present holders paid £2. 10s. for theirs. He also suggested that the £50,000 unappropriated be transferred to the account of profit and loss, and divided among the shareholders, or carried to the reserve fund.

Mr. Taylor wished to know how their reserve fund was invested, and what were the costs of management. He had been assured that these securities were worth £1,200,000, and although he had the greatest confidence in the directors he did not believe they had found the philosopher's stone, or would continue to pay 40 per cent. dividend. (Oh, oh.) He was a

friend of the representative principle; but he must say that present circumstances made him anxious for the honour of the company. (A laugh.)

Mr. Carpenter said he addressed a letter to the chairman, asking for information upon certain points which he would then repeat. In the first place, he wished to know in what securities the reserve fund was invested, and whether they were permanent. He also wished to be informed if the securities of the company were pledged, and whether any portion of the reserve fund was invested in the Three per Cent. Consols. In conclusion, he moved, as an amendment to the report, "That the directors be requested to invest their reserve fund in the Three per Cent. Consols, or some similar security, and that no part of it shall be used for conducting the business of the company without a special vote of the shareholders."

Mr. Bruce seconded the motion, and a rather personal discussion ensued.

The amendment was then put, and negatived by an overwhelming majority; after which the report was adopted.

A vote of thanks to the manager (Mr. Albert Grant, M.P.) for his zeal and activity in promoting the interests of the company was then passed.

Thanks were then voted to the right hon. chairman, and a vote having been proposed to the secretary and other officers of the institution, the proceedings terminated.

STANDARD BANK OF BRITISH SOUTH AFRICA.

THE fourth ordinary general meeting of this company was held on the 24th October at the London Tavern; Mr. Stenhouse in the chair.

The Secretary (Mr. W. F. Searle) having read the notice convening the meeting, the following report was taken as read:—

"Since the proprietors were prepared by circular of 25th August for the general character of the present half-yearly accounts, intelligence of further mercantile failures has been received, and the full amount then estimated by the directors has therefore been found necessary to cover losses to the 30th June. A further sum may be required in next account to meet losses on bills that had not matured within the half-year, a portion of which is contingent on the duration of the war in the Orange Free State. The directors have transferred £30,000 from reserve fund to help in providing for the half-year's losses, and in enabling the payment of a reduced dividend of 5 per cent. per annum. The directors take the opportunity of stating that the events from which the bank now suffers do not repress their hopes of future success; they rather rely on the rapid progress of the South African Colonies in productive wealth as the surest foundation for a profitable banking business. Certain alterations, suggested by experience, are now being made with a view to concentrate the management, as well as to strengthen the more important stations with capital derived from the closing of others of less promising character. The reconstitution of the company, authorised at last meeting, has encountered difficulties that have led the directors to suspend further proceedings thereon. The seats of Messrs. Black, Duthie, and Paterson have become vacant since last meeting, and have been filled by the election of Messrs. George Charles Frames, Alexander Cowan, and William Neisch, which the proprietors are asked to confirm."

Balance-sheet June 30th, 1865.

Dr.

Capital paid-up, viz. :—£25 per share on 17,053 shares, £426,325 ; £10 per share on 6,108 shares, £61,080 ; paid in anticipation of calls, £165, making a total of	£487,570	0	0
Circulation notes, £85,435 ; post bills, £94,571. 10s. 4d., making a total of	180,006	10	4
Liabilities on deposit and current accounts	408,853	19	8
Bills payable and other liabilities	410,635	14	6
Reserve fund	26,000	0	0
Profit and loss, viz. :—Balance 31st December, 1864, £449.6s.8d. ; net profit for half-year ending 30th June, 1865, £25,233.19s.5d. ; rebate on bills discounted and not yet due, £11,034. 15s. 6d. ; amount from reserve fund, £30,000, making a total of	66,718	1	7
	£1,579,784	6	1

Cr.

Cash with bankers and at branches	£103,327	1	5
Bills discounted, other advances, remittances from branches, and past due bills	1,411,681	14	0
Bank premises, furniture, fittings, &c.	23,606	10	3
Preliminary expenses	1,500	0	0
Amalgamation account	36,815	0	0
Unpaid calls and premium	2,854	0	0
	£1,579,784	6	1

Profit and Loss for half-year ending June 30th, 1865.

Charges, including rent, taxes, salaries, and all other expenses at head office and branches	£12,124	8	8
Balance carried down	66,718	1	7
	£78,842	10	3

By balance 31st December, 1864 (£2,009. 6s. 8d., less remunera- tion for directors and auditors to that date, and amount reserved for income tax)	£449	6	8
By gross profits for half-year ending 30th June, 1865, after de- ducting interest on deposit and current accounts, and on calls paid in advance	48,393	3	7
Reserve fund	30,000	0	0
	£78,842	10	3

APPROPRIATION.

Rebate on bills discounted and not yet due	£11,034	15	6
Amount written off amalgamation account	2,000	0	0
Amount carried to suspense account	253	1	8
Dividends, viz. :—12s. 6d. per share on 17,053 shares, £10,658. 2s. 6d. ; 5s. per share on 6,108 new shares, £1,527, (being at the rate of £5 per cent. per annum on the sums paid upon such shares respectively, to be paid free of income-tax)	12,185	2	6
Bad debt account	41,245	1	11
	£66,718	1	7
Balance brought down	£66,718	1	7

RESERVE FUND.

Profit and loss account	...	...	...	...	...	£30,000	0	0
Balance	...	...	...	...	...	26,000	0	0
						£56,000	0	0
						£56,000	0	0
Balance, 31st December, 1864	...	...	...	...	...	£26,000	0	0
Balance	...	...	...	...	...	£26,000	0	0

The Chairman, in moving the adoption of the report, expressed his regret that they had not met in as fortunate circumstances as on previous meetings; but at the same time the affairs of the bank were not in a position to excite serious alarm. There might be some difference of opinion as to whether or not they ought to declare a dividend, but looking to the circumstances that there might be many persons to whom such a declaration might be of the last importance, and to the fact that, in all probability, things had reached their turning point at the Cape, the directors, on the whole, thought it advisable that a dividend at the rate of 5 per cent. should be declared. It was stated in the report that £30,000 would be required from the reserve fund to pay the dividend, which would leave to its credit the sum of £26,000. It was, however, expected that the profits of the current half-year would amount to £25,000, £10,000 of which had already been earned; and, looking at the circumstances that the colony had passed, or was now passing, through a severe monetary crisis, the board had thought it necessary to set aside £20,000 for contingencies that might arise in the current half-year. The estimated earnings being £25,000, and the reserve fund £26,000, together made £51,000. The dividend at the end of December would absorb £12,000, which, added to the £20,000 set aside for contingencies, made £32,000, which would leave £19,000 to the credit of the reserve fund in December next. He also mentioned that some of the directors having resigned, it became necessary to fill their places, and the directors had selected Mr. Neisch, Mr. Alex. Cowan, and Mr. Mackenzie, to fill their places. Owing to the fact that the selection of two of the gentlemen had been made subsequent to the notice, it would be competent for the meeting to defer the confirmation, if necessary, till April next. He thought it unnecessary to make any further observations, as no doubt various questions would be asked, and he thought it would be better to answer them seriatim, thus affording the shareholders the fullest opportunity of investigating the affairs of the bank. He concluded by moving the adoption of the report.

A shareholder inquired the amount of the past bills due on the 30th of June last; what amount there was due on that account since the 30th of June; what branches were being closed; and whether the principal losses had not accrued at Port Elizabeth.

The Chairman said it was perfectly true that many serious losses had occurred at Port Elizabeth, mainly through the commercial crisis that had occurred in the colony, but at the same time all banks had suffered alike. The amount of overdue bills up to the 30th of June last amounted to £133,000 odd, but there were collateral securities which would reduce the actual loss to £41,000, and which had been written off as a bad debt account. Since the 30th June the past due bill account amounted to £13,164. The increase of charges had arisen from the appointment of a manager, whose salary had to be included, but they had selected a most able man in Mr. Stewart, who had devoted himself entirely to the elucidation

tion of the affairs of the bank, and through whose efforts there was every probability that it would not only recover all its losses but have a very excellent future before it.

Mr. Kintrea expressed an opinion that sufficient caution had not been exercised in taking over the business of the Commercial Bank at Port Elizabeth, and that the £38,000 due on the amalgamation account was a dead loss.

Mr. Manby read an extract from the *Eastern Province Herald*, which gave an account of the insolvency of Mr. Kirkwood, a colonial director, and called the attention of the meeting to the fact that the Standard Bank was scheduled as a creditor to the enormous sum of £40,000, the report in the paper stating that Mr. Kirkwood's estate was likely to pay in pence rather than pounds. He inquired whether there was any truth in the report.

The Chairman deprecated any allusion to reports in the public newspapers, and stated that although it was true that Mr. Kirkwood's account was so scheduled, the bank was in possession of collateral securities which would reduce the loss on that account to £13,000.

Mr. Manby called attention to the fact that a very large proportion of the local directors in the colony did not hold a single share in the undertaking, and also to the fact that a large item appeared in the accounts of "other advances." He inquired the nature of those advances.

The Chairman—They were overdrawn accounts against securities.

A long and animated conversation ensued, in which the chairman and directors were asked to state the details of the most minute transactions of the bank, and in reply to the numerous questions asked of all sides of the meeting.

The Chairman stated that almost immediately after Mr. Stewart, the present manager of the bank in the colony, had arrived, he discovered that the affairs of the bank had been greatly mismanaged by the local boards, who seemed to have gone entirely on the principle of helping themselves and their friends, the consequence of which was that when the commercial crisis came and failures took place, the persons who had obtained these large advances, not being able to repay them, became insolvent, and the bank was obliged to resort to such covering as it had in the shape of collateral securities. He also discovered that some of the branches, instead of being profitable, were entirely unproductive. Immediately on receipt of the intelligence, the board instructed Mr. Stewart to restrict all advances, to discontinue some of the branches, and to allow no overdrawn accounts that were not fully covered by ample securities. They also issued an order by which no person who was not considerably interested in the welfare of the bank should act as a local director, and in point of fact had given the strictest possible orders to the manager to put an end to the irregularities that had occurred. He reminded the meeting that the local directors were not appointed by the board but by the colonial shareholders, and that when the amalgamation took place they were continued in office solely on account of the able manner in which they had conducted the affairs of the Commercial Bank. He could not deny that they seemed to have managed the affairs of that bank in a far more satisfactory way than they had in this case, and he assured the meeting that no one deprecated more than the board the practice of persons acting as directors in the colonies who had no share in the bank. It could not be denied that many of those directors had made the bank a mere convenience to obtain advances, but that was all being rectified, and their manager, than whom there was no more able man in the colony, had the utmost confidence in the future prosperity of the institution.

In reply to a question from a shareholder,

The Chairman stated that it had been found impossible to carry into effect the scheme of reconstitution adopted at previous meetings, on account of a large number of shareholders objecting.

Mr. Jervis, in seconding the adoption of the report, thought that the shareholders had expressed a great deal of unnecessary alarm at the position of the bank. The general manager reached the Cape at the latter end of February, and to a man of his experience it soon became plain that a great deal of very improper bill accommodation had taken place. The first thing he did was to shut the door against all transactions of that sort, and the next was to get every kind of collateral security he could lay his hands on. That prudent conduct had been followed out, and he was sure would lead to ultimate success. The trade of Port Elizabeth was good, and that port was the fifth best customer they had. There was every reason, now that the crisis was nearly over, to be satisfied that the bank would not only recover all its losses, but eventually would yield a very large profit.

Mr. Kintrea could not participate in the congratulations of the seconder. As it appeared to him they had not only lost their reserve fund but they had given £38,000 for what turned out to be a bad business. He traced the losses of the bank to three sources—first, to their having local directors who had no interest in it; secondly, to opening and maintaining unremunerative branches; and thirdly, to the facilities afforded by the bank to the merchants of obtaining money too easily, thus leading to over speculation, and giving a false stimulus to trade. He had no doubt whatever about the future of the bank if these faults were corrected, and above all he trusted that they would never hear any more about managing directors who were not shareholders. (Hear, hear.)

Mr. Beke expressed himself dissatisfied with the position of the bank, and considered it highly inexpedient to declare a dividend at all. He, therefore, moved that the report and balance-sheet be not adopted.

Mr. Hodgkin seconded the amendment, which on being put to the meeting was lost, and the report was adopted by a large majority.

The dividend having been declared, the election of directors was proceeded with, and after some discussion, resulting in a proposition that the appointments made should not be confirmed, but that the matter should stand over till April, which was lost, the election of the three gentlemen nominated by the directors, viz., Mr. G. C. Frames, Mr. Neish, and Mr. Mackenzie, was confirmed.

A cordial vote of thanks to the chairman and directors, proposed by Mr. Kintrea, and carried by acclamation, concluded the proceedings.

DISCOUNT CORPORATION.

THE ordinary general meeting of the shareholders in this company was held at the London Tavern on the 27th October; Captain C. F. Mangles in the chair.

The following report and balance-sheet were submitted by the directors, and taken as read :—

“In again presenting to the shareholders a statement of the affairs of the corporation for the half-year ending the 30th September, 1865, the directors would desire to point out, that although the amount of business transacted has been less than during the previous half-year, yet the net profit realised has been comparatively greater, and has been attained during a very pre-

carious period, with a loss of only £400. This result has been arrived at by the operations of the company having been conducted with caution. The statement now submitted shows a gross profit, including £2,111. 7s. 6d. brought forward from last account, of £21,051. 17s. 8d., from which, after allowing for bad debts, rebate of bills not due, and current expenses, there remains a balance of £6,605. 3s., which the directors propose to dispose of in the following manner, viz.:—£5,000 to the payment of a dividend of 10s. per share, being at the rate of 5 per cent. per annum on the paid-up capital; £1,000 to be added to the reserve fund; and £605. 3s. to be carried to next account."

Balance-sheet, 30th September, 1865.

<i>Dr.</i>			
Capital account—9,995 shares, on which £20 has been paid, £199,900, less arrears, £25, £199,875; Five shares forfeited on which has been paid £12. 10s., making a total of	...	£199,887	10 0
Loans, deposits, &c.	...	1,558,303	3 4
Reserve fund	...	1,000	0 0
Profit and loss account—amount at credit as per annexed statement	...	16,779	5 0
		<u>£1,775,969</u>	<u>18 4</u>
<i>Cr.</i>			
Cash at various bankers'	...	£100,597	0 4
Bills discounted, advances, &c.	...	1,598,520	8 7
Amalgamation account paid for transfer of business	...	70,000	0 0
Premises in Abchurch Lane	...	3,500	0 0
Preliminary expenses—balance of account	...	3,352	9 5
		<u>£1,775,969</u>	<u>18 4</u>

Profit and Loss Account for the Six Months ending Sept. 30, 1865.

Current expenses, including salaries, rent, taxes, income-tax, auditors' remuneration, and all other charges	...	£4,272	12 8
Bad debts	...	400	12 0
Rebate of interest on bills discounted, not yet due, carried forward to new account	...	9,773	10 0
Dividend of 10s. per share on 10,000 shares...	...	5,000	0 0
Amount added to reserve fund	...	1,000	0 0
Balance carried forward to profit and loss new account	...	605	3 0
		<u>£21,051</u>	<u>17 8</u>
Balance brought forward from 31st March last	...	£2,111	7 6
By gross profits during the half-year	...	18,940	10 2
		<u>£21,051</u>	<u>17 8</u>

The Chairman, in moving that the report and statement of accounts be adopted, and that a dividend of 10s. per share free of income-tax be declared, and paid on and after the 1st of November next, briefly explained the position of the company's affairs. Much credit, he observed, was due to the managers for the way in which, to use a nautical phrase, they had steered the vessel through the shoals and dangers by which it had been surrounded, in the shape of failures in Indian banks and other

old establishments: and, seeing that the accounts showed a loss of only £400, he thought the managers were entitled to the utmost gratitude. Their business, if conducted safely, could, even under the best circumstances, only produce moderate results, because it was simply the difference between what they could take money for and what they could lend it at; and considering the great reduction of from £200,000 to £300,000 which had taken place in their liabilities since the last report, and which had been brought about solely by prudent management, he trusted the shareholders would be satisfied with the dividend, although it did not keep pace with those which were given by some other of the great credit companies. An important subject which had lately engaged the attention of the directors was the high amount of the shares. He understood it was contemplated to bring in a bill of a general character when parliament assembled, enabling companies to reduce the amount of their shares; but if no such general measure were introduced the directors would consider whether they themselves might not bring in a bill empowering them to reduce the shares of this corporation from £100 to £25, thus making the shares £5 paid up. Such a step, he believed, would produce a wholesome effect on the shares, which would then be much more largely dealt in than they were at present. Upon the whole he was so satisfied of the perfect soundness of the undertaking, that he hoped the shareholders would imitate his own example, identifying themselves more thoroughly with its interests, and bring in all the money they could, in order that it might be laid out with prudence and care, and realise a good profit.

Mr. G. Lyall (a director) seconded the motion, and urged the necessity which daily experience had shown to exist of increasing the amount of capital, which at present was not sufficient. The business transacted was of a very high class. It was well done. There was no lock-up. The securities consisted entirely of really good mercantile bills of exchange, and none had to run beyond six months. But business had to be constantly discouraged, because in these times of fluctuation it would not do with their small capital to run any risks. If, however, the capital were increased by about £200,000 the business might be doubled, and still be of the same good class. At the same time the expenses would be no greater, whilst there would be a considerable increase of profit. The present was, perhaps, not an opportune moment for taking this step, but at the first favourable opportunity it ought to be done in the way that would be most convenient to the shareholders. As a preliminary, it would be necessary to reduce the amount of the shares, and after that the question of augmenting the capital should be taken into consideration.

In answer to inquiries,

The Chairman stated that the £9,000 set aside in the previous account against bad debts was amply sufficient to meet any deficiency that might arise from that source. To which the manager added the remark that the whole of the £9,000 would be absorbed.

A Shareholder said that, after paying £70,000 on the amalgamation account, the capital they were working with was only £130,000, and the current expenses on this were at the rate of nearly 5 per cent. He was satisfied with the soundness of the concern, but contended that these expenses ought to be reduced, and that the most effectual means of doing so was to have a less numerous and costly staff.

The Chairman stated that the subject was then under the consideration of the board, and at the fitting time, when it was in their power, he had no doubt there would be a reduction. The management should be as economically conducted as possible, and the directors pledged themselves to do their

best to accomplish that result. He further explained that the £3,500, for the premises in Abchurch Lane, had been paid for the renewal of the lease for sixty years.

A Shareholder inquired whether the bills in hand were believed to be good.

The Manager, speaking to the best of his belief, should say, perfectly so.

Ultimately the motion was agreed to, the retiring directors, Messrs. Colchester and Lyall, were re-elected, a sum of £1,000 was voted to the board as remuneration for their services during the past year, and a cordial vote of thanks to the presiding chairman terminated the proceedings.

LONDON MERCANTILE DISCOUNT COMPANY.

A MEETING of the shareholders of this company was held at the London Tavern, on the 27th October, by adjournment from the 18th instant; Mr. John Geary occupied the chair.

The Chairman said the meeting was adjourned for the purpose of allowing time for the committee of investigation to obtain counsel's opinion on certain points which were raised at the last meeting.

Mr. Morris then read the case submitted to counsel, which went at great length into the history of the company, and concluded with the following questions, on which the opinion of counsel was requested:—

1st. Whether the original allottees of shares in the London Mercantile Discount Company can receive back the money paid on their shares, or obtain any other and what relief in respect of the circumstances connected with the formation of the company. 2nd. If yea, against whom and at whose suit the remedy can be enforced. 3rd. Whether, even if the company was fraudulently established, shareholders who were not originally allottees, but have purchased shares in the open market, some at a discount, have any ground of action or suit either at law or equity. 4th. Whether the shareholders should proceed with a voluntary winding-up, or how otherwise they should act with reference to the affairs of the company so as not to prejudice their rights, and on the other hand make the most of what remains and stop all useless expenditure. 5th. Generally to advise the shareholders as to the best course for them to pursue under the circumstances herein detailed, so as to recover the money paid if they can, and if not, to make the loss as light as possible.

On these questions the following opinion was given:—

"1st, 2nd, and 3rd.—We consider that the circumstances connected with the formation of this company would induce a court of equity to favour, as far as its rules might permit, any claims by original allottees of shares to have such allotments cancelled. But on the whole, and especially considering the length of time during which such allottees have acquiesced in their position as shareholders, we are not of opinion that they could succeed either in recovering back the money paid on their shares, or in getting their names removed from the register, or in obtaining any other relief based on the circumstances referred to. Still less is any such remedy open to those who have purchased their shares in the open market, since it is only persons who contract for their shares with the company that can in any case be relieved on the ground of the fraud of the company. 4th and 5th.—We are of opinion that by pursuing in equity the remedies hereinafter indicated, the shareholders may reasonably hope to lighten their loss to a considerable extent. In the first place, the purchase of the business of Messrs

Womersley and Burt appears to have been negotiated with what the law calls *crassa negligentia* on the part of the directors, not only sufficient to make those who took part in the negotiation personally liable for the damage resulting therefrom, but also, together with the other circumstances, amounting to such evidence of improper conduct as to invalidate the purchase thereof. And next, we are of opinion that in connection with this equity the £2,000 paid to Mr. Jay under the circumstances mentioned in consultation may probably also be recovered. We are further of opinion that, even if the purchase should not be set aside, the claim of Messrs. Womersley and Burt to salaries as directors and members of the daily committee is inconsistent with the articles of association, and cannot be supported. And we are of opinion that Mr. Kintrea is bound in equity to indemnify the company for the preliminary expenses attending the formation, which he undertook to pay in a contract on which the existence of the company was in fact based. The remedies above indicated may be pursued while the voluntary winding-up is proceeded with.

"THOS. SOUTHGATE.
"JOHN WESTLAKE.

"Lincoln's Inn, Oct. 25, 1865."

Mr. Morris suggested that time should be given to consider the opinions that counsel had given, and that there should be an adjournment. (Cries of "No.")

Mr. Whiffin objected to an adjournment, and said he thought they ought to proceed at once to the appointment of liquidators. He deprecated going to law. If they did they would be entirely in the hands of the lawyers, and no one could tell how much they would have to pay, whereas if they avoided litigation the assets of the company would about balance the liabilities, and they might possibly get back 10s. a share, or at any rate they would not have to pay more than 10s. a share.

Mr. Morris said he thought they ought, at least, not to abandon this matter without having an opportunity of seeing Messrs. Womersley and Burt's books. They could do this by filing a bill in chancery, and it would then be open to them whether they would proceed with the suit or not.

Mr. Britton inquired what were the issues involved.

Mr. Morris said £10,000 was paid to Messrs. Womersley and Burt for their business, besides which they were appointed to serve on the daily committee for three years, at a salary of £1,400 a year. Then there was a claim against Mr. Kintrea for £700, and they might recover the £2,000 paid to Mr. Jay.

Mr. Galsworthy said it was quite clear nothing could be recovered on the ground suggested at the last meeting by Mr. Morris, that of gross fraud, but it was not at all clear whether they would not be able to recover some of the moneys that had been referred to. He suggested that the shareholders should that day appoint a liquidator or liquidators, who should consider whether proceedings should be adopted or not.

Mr. Flight recommended that a bill in chancery should be filed.

Mr. Toner moved that Mr. George Whiffin and Mr. Richard Stone be appointed liquidators.

Mr. Robinson seconded.

Mr. Addison objected to the appointment of either Mr. Stone or Mr. Whiffin, on the ground that the former was auditor of the company, and the latter had been secretary.

A discussion of an angry and personal character ensued.

Mr. Addison moved as an amendment that Mr. Galsworthy be appointed.

Mr. Galsworthy declined to act, and Mr. Addison withdrew his amendment.

Mr. Galsworthy moved as an amendment the appointment of Mr. James Cooper, accountant.

At the suggestion of the Chairman and Mr. Morris words were added to the motion and the amendment directing the liquidators to take proceedings in chancery if they should deem it advisable.

The amendment and the original motion were then respectively put to the meeting, when there appeared ten for the amendment and twenty-one for the original motion.

A poll was demanded, and the Chairman declared that the poll would be taken that afternoon, and on Monday from 12 to 2, at the London Tavern.

NEW ISSUE OF THE SHARES OF THE CREDIT FONCIER AND MOBILIER OF ENGLAND.

AFTER the very favourable termination of the meeting of the Credit Foncier and Mobilier of England, Limited, the directors at once issued the prospectus for placing the 100,000 new shares of £20 each. Upon this issue, £5 per share only will be called by instalments, no further call being contemplated. Of this amount, 50,000 shares will be allotted to the present shareholders, and 50,000 shares will be distributed among the general public. When these shares are placed the subscribed capital will consist of £4,000,000, the paid-up capital £1,000,000, the general reserve fund £500,000, and the dividend reserve fund £100,000. The terms of subscription both to the existing shareholders and the public have already been announced, and there is no doubt that the lists will immediately be filled. The date of application is limited to the 2nd of November for London, and Friday, the 3rd, for the country. In the prospectus the directors place it on record as their deliberate opinion and conviction, "that this company is destined in a very short period to take a foremost place among the leading monetary institutions of the country."

TENDERS FOR BILLS ON INDIA.

THE biddings for bills on India took place on the 4th October, at the Bank of England. The proportions allotted were—to Calcutta Rs. 10,27,000, to Madras Rs. 2,40,000, and to Bombay Rs. 8,00,000. The minimum price was fixed at 1s. 11½d. on Calcutta and Madras, and 1s. 11¾d. on Bombay. Tenders on Calcutta and Madras at 1s. 11½d. will receive in full, and on Bombay at 2s. about 29 per cent.; above these prices in full. Further biddings for 23,00,000 rupees took place on the 18th October at the Bank of England. The proportions allotted were, to Calcutta, 9,82,000 rupees; to Madras, 4,18,000 rupees; and to Bombay, 9,00,000 rupees. The minimum price was as before, 1s. 11½d. on Calcutta and Madras, and 1s. 11¾d. on Bombay. Tenders on Calcutta and Madras at 1s. 11½d., will receive about 47 per cent., and on Bombay, at 2s., about 19 per cent.: above these prices in full.

BANK OF AUSTRALASIA, BELFAST, VICTORIA.—At a meeting of the most influential of the inhabitants of this town, a large sum of money was subscribed for the purpose of presenting a silver epergne and complete service of plate to the local manager of the above bank, on his removal to Christchurch, New Zealand. At the request of the subscribers, the secretary, D. J. Howes, Esq., J.P., asked the Ven. Archdeacon Brain, who was returning to England, to expend this money. The plate has been selected, and goes out this month. The epergne bears the following inscription :—
 “Presented to William Lilly Hawkins, manager of the Bank of Australasia, Belfast, Port Fairy, Victoria, on the occasion of his removal therefrom, after a residence of eleven years, to New Zealand, as a slight token of appreciation by his friends of his sterling worth, both in his public and private capacity.”

We have much pleasure in stating that the suggestion contained in our September number for facilitating the remittance of bills and cheques from country to London bankers, and expediting the operations of the Clearing House, seem to have met with much approval. We find that the plan has been already put in force by several of the largest private and joint-stock banks, and that the results are most satisfactory.

Communications.

To the Editor of the “Bankers’ Magazine.”

PROFITS OF ENGLISH BANKS.

SIR,—Can any of your correspondents justify or explain the procedure of English banks under the following circumstances?—

Say, A opens an account with a London bank, and pays to one of his creditors a cheque for £100, dated 21st October; this is again paid to some provincial creditor, and so on it goes from hand to hand until it reaches the bank, perhaps on 31st October; but instead of debiting A at the 31st (as is the custom in all Scotch banks) he is debited at the 21st, the date inscribed on the cheque, and the bank thus pockets ten days’ interest, which A is entitled to.

This may appear a small item, but in these days of high rates, and on a large account, it becomes considerable. I am told that cheques for small sums, such as £25, £50, or £100, paid to tradespeople, often take several weeks to reach the bank.

I should be glad to hear that this is not the invariable custom of all the English banks, for there is not much to be said in favour of the proceeding.

H.

BRANCH BANK CHEQUES.

October, 1865.

SIR,—I am very pleased to find my inquiry in your September number, respecting the cashing of branch bank cheques, so promptly responded to by

two of your correspondents. I think this is one of the best means of ventilating questions on banking, especially where so much is regulated by custom.

Mr. H. G. Marshall backs up your opinion, by quoting a case tried at the Queen's Bench, while "W. J. A." (evidently against his own judgment), gives one which was decided against the banker. I hardly know on what grounds such a legal opinion could be given, except there was delay in the presentment.

The two cases above quoted at present stand thus—one has been tried and decided at the Queen's Bench, and the other rests on an undisputed legal opinion; therefore the balance of opinion is, I think, greatly in favour of the banker.

Your obedient servant,
Y.

BRANCH BANK CHEQUES.

Margate, 26th October, 1865.

SIR,—Permit me, through your columns, to ask your correspondents, "Mr. H. G. Marshall" and "W. J. A.," if there were any grounds affecting the cases they respectively allude to other than those they speak of, as from their respective statements it would appear the circumstances were identically similar, whilst the legal decisions were diametrically opposed to one another.

I am, Sir,
Yours obediently,
T. J.

THE ISLE OF MAN AND JERSEY.

October 16th, 1865.

SIR,—In your next number will you please to say, whether a draft drawn from London on a person in business at the Isle of Man or Jersey, and which is accepted, payable at a bank in either of those islands, requires a foreign bill stamp, or is an inland stamp sufficient?

A SUBSCRIBER.

[If a sole bill, the same duty and stamp as for an inland bill; if drawn in a set of three, then the stamps specially appropriated should be used.]

BANKING OBITUARY.

On the 30th September, at Brighton, Joseph Aldersey Olding, Esq., of Lee Road, Blackheath, second son of the late Stephen Olding, Esq., of Clement's Lane, Lombard Street, and Lower Clapton, aged 46.

On the 23rd October, at Brighton, Edward Wheeler Mills, Esq., of 67, Lombard Street, and 5, Bryanstone Square, aged 64.

MONTHLY CHRONOLOGY.

October 2.—The Directors of the Bank of England advanced their rate of discount from $4\frac{1}{2}$ to 5 per cent.

2.—The Directors of the Bank of Frankfort put up their rate from 4 to $4\frac{1}{2}$ per cent.

3.—The Bank of Prussia raised its rate of discount to 6 per cent.

5.—The Directors of the Bank of England further advanced their rate from 5 to 6 per cent.

5.—The Bank of France increased its terms from 3 to 4 per cent.

6.—The authorities of the Bank of Holland advanced their rate from $3\frac{1}{2}$ to 4 per cent.

7.—The Directors of the Bank of England again further increased their terms for discount from 6 to 7 per cent.

10.—The Bank of Prussia again put up its rate from 6 to 7 per cent.

14.—The National Bank of Belgium also advanced its rate from 4 to 5 per cent.

18.—Lord Palmerston died at Brocket Hall, Hertfordshire, after a short illness, in the 81st year of his age.

21.—Earl Russell appointed Premier.

27.—Lord Palmerston buried in Westminster Abbey. The Stock Exchange and many other public places closed in consequence.

BANK MOVEMENTS.

The liquidators of the East of England Bank have announced a third dividend of 2s. 6d. in the pound. It will be remembered that this bank failed about a twelvemonth back, with £600,000 liabilities, and the previous dividends have amounted to 15s. in the pound.

It is intimated that Mr. F. W. Russell, M.P., chairman of the National Discount Company, and Mr. M. H. Chaytor, deputy-chairman of the National Discount Company, have joined the board of the London Bank of Mexico and South America.

The directors of the British and Californian Banking Company, Limited have appointed Mr. Samuel Magnus their London manager.

Mr. Henry Davidson, of the firm of Messrs. Davidson and Co., of 8, Lime Street Square, London, has joined the direction of the Bank of Queensland.

The National Bank of Australasia, which was established in 1888, and has a large and prosperous business in the colonies of Victoria and South Australia, offers 10,000 shares of £4 paid up at a premium of £2. These shares will be on the London register, and the premium derived from them is to be added to the reserve fund, which will then amount to the handsome sum of £130,000. The Melbourne direction embraces the names of the Speaker of the Legislative Assembly and the President of the Legislative Council. The bank has thirty-two branches and agencies.

Notes of the Month.

THE FRAUDS ON THE CANTERBURY SAVINGS BANK.—At the Canterbury Quarter Sessions, on the 18th October, Samuel Greaves, aged sixty-nine years, late secretary and actuary to the Canterbury Savings Bank, was tried on the charge of embezzlement. The amount of the deposits in the bank was about £150,000, and the investigation showed that the prisoner's defalcations, which extended over 25 years, exceeded £9,200. The precise charges preferred against him were that he in November, December, and May last embezzled three sums of £80, £65, and £100 respectively, the property of William Delmer and others, trustees of the bank. The indictment contained a second count charging him with receiving money on behalf of the trustees and appropriating it to his own use. Mr. Addison appeared for the prosecution, and Mr. Francis for the prisoner. The prisoner pleaded "Guilty," and Mr. Addison briefly stated the circumstances out of which the charges had arisen. It appeared that the prisoner was appointed secretary and actuary of the savings bank 33 years ago at a salary of £40 a-year, which had been gradually increased to £200 a-year, in addition to house rent, gas, and coal. In 1840 he commenced tampering with the money of the bank by fabricating depositors' pass-books, from which the entries in the ledgers were made. The amounts paid by the depositors were correctly entered in their own pass-books, but in those which the prisoner placed before the clerk to copy into the ledgers the figures were so altered as to show the sums which he had succeeded in drawing from the different accounts. The entire deficiency was found to be, in round numbers, £9,300. Mr. Francis addressed the court in mitigation of punishment, and alleged that the prisoner was first led to tamper with the funds of the bank through losses in another business with which he was connected, and at a later period through speculations in which he embarked with a view to retrieve his position. In answer to the Recorder (Mr. John Deedes) Mr. Callaway said that the claims of all the depositors had been fully met, the trustees having used the reserve fund of £3,500 for that purpose. Property to the amount of £700 was given up by the prisoner, and his surety had paid £400, which, with the bank premises, made up over £6,000, so that the actual loss to the trustees was about £3,000. The Recorder sentenced the prisoner to penal servitude for six years.

THE WILL OF SIR JOHN LUBBOCK.—The will of Sir John William Lubbock, Bart., F.R.S., D.L., of Lombard Street, banker, High Elms, Farnborough, and Lenias, Norfolk, was proved in the London Court, on the 10th inst., by his son, Sir John Lubbock, Bart., the acting executor, power being reserved to Lady Lubbock, his relict, to prove hereafter. The personality was sworn under £120,000. The will is dated 3rd December, 1864, and the testator died on the 20th June last, at the age of sixty-two. Sir John has bequeathed to his wife his jewels and paraphernalia, also the furniture, wines, farming stock, horses and carriages, absolutely; and leaves her ladyship the use and enjoyment, for her life, of his pictures, paintings, books, and plate, which, at her ladyship's decease, will pass to his eldest son, the present baronet. He disposes of his share in the banking-house (Robarts, Lubbock and Co.), as follows: one moiety to his eldest son, and the other moiety equally between his sons Henry and Beaumont, they paying therefrom an annuity of £6,000 to his relict. To his sons Alfred and Edgar, each a legacy of £10,000. To his son Neville (firm of Cavan, Lubbock and Co.), and his sons Montague and Frederic, legacies are bequeathed amounting to about £50,000, under business arrangements, they also paying to his relict a like annuity of £6,000. To his daughter Henrietta he leaves a legacy of £4,000. His two married daughters, Mary and Diana, he states, are both sufficiently provided for. His real and leasehold estates in Norfolk and Kent and elsewhere he leaves to his eldest son. The residue of his personal estate he bequeaths to his relict.

THE PRESENT AND THE FUTURE OF THE MONEY MARKET.

It is quite clear that at the present juncture we are in a critical position with regard to the state of the money market. During the last three weeks we have passed through a period such as has usually, in the olden days, preceded a panic, but with a calmness that has denoted how vastly things within the past few years have altered in this respect. If previously to 1857-58 the rate of discount had been altered three times within one week, there would have occurred the most painful excitement that could have been witnessed. Could our forefathers be summoned from their graves and be informed that the Bank rate of discount was $4\frac{1}{2}$ per cent. on the 2nd of October, was then raised to 5 per cent.; that it was again raised on the 5th from 5 per cent. to 6 per cent., and on the 7th that it was once more raised from 6 to 7 per cent., and that these changes took place without regarding panic symptoms, they would scarcely believe the fact. Yet, although this has been the case, while still some slight apprehensions exist of the terms being maintained at the present point, if they are not increased, the feeling among bankers and others seems to be that no fear of alarm need be entertained, trade having latterly remained in a sound and steady condition. Besides, we are all now becoming so used to these occasional pinches that unless something is very rotten at the core no great damage can ensue.

The three great causes which have contributed to act upon the rate of discount are as follows:—First, there is the increased expenditure of the public, the higher rates of wages, and the more extended employment of labour; in the second place, a large quantity of gold has gone to Ireland to pay for cattle, the prices of which at the large fairs have been four and five pounds per head above those paid in antecedent years; the linen trade at the same time being in a state of great activity; and in the third place, the speculation in cotton at Liverpool has absorbed increased sums of money, the general credit of the operators not being so satisfactory as eighteen months or two years ago. This has led to the bankers throughout the Lancashire and adjoining districts keeping their money close in hand, as they have been enabled to employ it to advantage. The Fenian agitation in Ireland was also said to have exercised influence, but such an assertion is not traceable to any authentic source.

Enough, however, is here advanced to show the effect of the absorption and the causes which have produced it. The advance in the rate from $4\frac{1}{2}$ to 5 per cent., and from 5 to 6 per cent. were not thought anything of, but as merely indicating the altered situation of the Bank, and the change in the general

prospects of the money market. But when the turn from 5 to 6 per cent. was followed by the advance from 6 to 7 per cent., then it was perceived that the Bank's resources were being largely interfered with. Nevertheless, although the sudden and progressive rise was considered sufficiently ominous, it was received as a necessity, and the great hope expressed was that it would stay there and not be carried to 8 per cent. It was, however, well understood that the directors, if they imagined it requisite, would have gone to 8 or even 9 per cent. had their reserve of notes and stock of bullion not become stronger. The despatch of gold to Ireland took place at an unfortunate period, just prior to the payment of the dividends, and the absorption of notes and coin at that moment being general, the Bank directors, to keep the establishment in anything approaching a position, were compelled to obtain advances upon stock. By two large operations of this kind they were enabled to bring themselves into a tolerably satisfactory state, and the peril of a further rise in the rate appears to be temporarily delayed.

The Bank of France all this while, their resources being better and their loss of coin and notes being trifling, although their silk, oil, and corn hitherto exercised some effect, only carried their terms from 3 to 4 per cent., and have since not moved either way. That establishment, however, has been in a very exceptional situation the last two years. France has in a great degree escaped the pernicious influence of a joint-stock mania. No rampant desire is now exhibited there to subscribe for shares in public companies, and if undertakings are organised, they have been invariably introduced here to obtain the capital. To this extent, therefore, the Bank of France has benefited, not having lost any of her resources in the locking up of capital in unremunerative enterprise.

The last Bank of England return just published shows that the establishment is in a much healthier condition, and that the reserve and bullion is rapidly recovering. It was expected there would be a change for the better, but not one so important as indicated by the figures. We, however, scarcely find ourselves in this relieved position before there are grave surmises started of the probable revival of shipments of silver to Bombay and the East, and the outflow of gold to Brazil. The tocsin of alarm has been sounded very vigorously in some quarters; but while we would not wish the public to apprehend any difficulty, it is very likely considerable sums will be sent away. Should these be out of proportion of estimates the Bank directors may be compelled to adopt further measures of restriction; but if, as is said, the imports from America, Australia, and the West Indies shall keep pace with the outward shipments, the rate may remain

at its present quotation. While hesitating to predict the existence of extreme rates of discount for the remainder of the year, we do not think anyone can safely reckon on much lower terms than embraced in the range of 6 to 7 per cent.

TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month and eight months ended the 31st August were issued on the 28th September, and again present results of an unfavourable character, the falling off in the value of exports being more marked than for some time past, and must in a great measure be attributed to the general dulness of trade. The total declared value of exports for the month last past was £14,158,648, against £16,274,269 in the month of 1864, and £14,088,814 in that of 1863, which is a decline compared with the former period of £2,115,621, but an increase over the latter of £69,834. For the eight months of the present year the total was £102,400,696, against £108,716,219 in 1864, and £89,751,851 in 1863, which is a decrease as contrasted with 1864 of £6,315,523, but an increase over 1863 of £12,648,845. With regard to exports, these returns show an increase in alkali, beer and ale, coals and culm, cotton yarn, linen manufactures, machinery, metals, seed oil, wool and woollen and worsted manufactures. On the other hand, there has been a falling off in cotton manufactures, earthenware, haberdashery and millinery, hardware and cutlery, linen yarn, thrown silk, and silk manufactures. With respect to imports there has been an increase in animals, raw cotton, flax, guano, flaxseed and linseed, tallow, spirits, sugar, timber and tobacco, but a decrease in clocks and watches, hemp, wool, woollen manufactures, cocoa, coffee, tea and wine. In the case of cereals there has been an increase in the importation of oats, beans, wheatmeal, and flour, and a decline in wheat, barley, peas, and Indian corn. As respects provisions, the increase is shown in bacon and hams, and salt beef, and the reverse in salt pork, butter, cheese, eggs, and lard. The annexed tables exhibit the changes in the several articles enumerated:—

EXPORTS.

	1864.	1865.
Coals and culm tons	905,977	917,741
Cotton manufactures yards	181,506,851	152,420,810
Cotton yarn lbs.	7,825,837	9,321,035
Haberdashery and millinery value £	556,461	509,078
Linen manufactures yards	17,512,810	20,245,991
Linen yarn lbs.	4,486,869	3,489,037
Iron, pig tons	89,059	57,063
Ditto, railway "	39,351	47,835
Copper, unwrought cwts.	9,106	12,163
Ditto, sheets, nails, &c. "	62,636	32,192
Oil seed gallons	774,786	1,030,079
Silk manufactures value £	147,027	139,125
Ditto, thrown lbs.	43,334	18,105
Spirits, British gallons	349,887	216,526
Woollen cloths, &c. yards	3,367,992	2,980,435
Woollen and worsted yarn lbs.	3,016,085	2,878,203

IMPORTS.

	1864.	1865.
Cocoa lbs.	796,403	319,105
Coffee "	16,747,939	15,992,455
Wheat qrs.	2,505,252	2,024,724
Wheat-meal and flour cwt.	264,398	272,895
Cotton, raw "	545,376	866,978
Flax "	230,473	278,110
Hemp "	147,346	131,328
Hides, tanned, &c. lbs.	1,034,154	533,804
Leather manufactures pairs	815,280	801,371
Butter cwt.	106,529	105,456
Cheese "	150,967	129,646
Flax-seed and linseed qrs.	108,227	155,721
Silk, raw lbs.	297,840	984,399
Silk, thrown "	3,390	1,220
Silk manufactures "	239,184	229,348
Spirits gallons	567,784	965,751
Sugar, unrefined cwt.	1,279,986	1,298,860
Tallow "	63,495	105,073
Tea lbs.	2,741,127	1,842,421
Tobacco "	2,764,191	3,068,748
Wine gallons	1,370,571	1,067,133
Wool lbs.	27,963,511	24,012,398
Woollen manufactures value £	235,277	180,137

THE STATE OF THE FRANKFORT MONEY MARKET.

THE insane cry for the increase of a converting medium whenever money fetches high rates finds an illustration here at this very moment. Our Frankfort bank disposes of a capital of 10 millions, a bank-note issue of 30 millions, and deposits on an average of 7 millions of florins. This enormous amount, almost a sixth of the resources of the Bank of England, is in ordinary times by far too large for the requirements of this place, and the more so as the bank has to compete in the discount market with the firm of Rothschild and private capitalists. For ten months in the year the bank is therefore compelled to look out for business at the various commercial towns of South Germany, and the consequence is that whenever an extraordinary demand for money arises here the funds of the bank are locked up and unavailable for the legitimate trade. This year the bank authorities committed the mistake of going the whole length with their issue of 30 millions before raising the rate of interest, and when the pressure came there were no funds left, and the consequence was that money became not only dear, but difficult to get at all. The directors had acted under the fallacy that while their stock of bullion remained unimpaired it did not matter whether their notes went out to the utmost limit of their issue. While money was cheap our leading bankers took it at bank rates or drew foreign bills at high exchanges and lent the produce out on mortgage of American bonds at high rates, and thus the very funds of the bank were made use of to stock the Bourse with United States' securities. While money was cheap in London and Paris, and the exchange uncommonly high, this was a lucrative business; but now the time having come, with increased rates in London and Paris, and exchanges declining, these transactions must be liquidated, and the mortgage bonds taken up by the holders.

Our Bourse is thereby thrown into complete "disarray," and the result would have been yet more calamitous if London and Amsterdam had not taken up last week large amounts of American bonds sent from here. As it is, rates as high as 12 per cent. had to be paid for carrying over American bonds to the next account. Now, the cry of the sufferers under their own folly is for an increase of the capital and the issue of the bank. It is to be expected, however, that our authorities will not sanction such a measure, and not make themselves responsible for the false step to fetch "money from the skies," for the sole purpose to enable speculators to bring yet another bundle of American bonds to this place, while there are plenty in hand to accommodate such capitalists as are desirous to invest money in them.

Monetary Intelligence.

REVIEW OF THE MONEY MARKET FOR THE MONTH OF OCTOBER.

THE state of the money market during the past month has been rather exceptional. The Bank accounts having fluctuated and the terms for discount having been carried from $4\frac{1}{2}$ to 7 per cent., the question was at one time, might there not be some disturbance in the general financial circles? Such an unfortunate occurrence has happily been avoided, and all are now getting once more into a healthy situation. Still the supply of capital is not so large as usual at this period of the year, and the pinch has been felt with some little severity. The transmission of sovereigns to Ireland, and a further considerable absorption of notes and coin in the provinces, are circumstances which have influenced the quotations, but for the moment they are a little more easy. It is not expected we shall see any great variation in the official *minimum* for the next fortnight, until it shall be ascertained what may be the extent of the shipments of silver to India and Egypt. The Bank of France have only advanced their rate 1 per cent., and their resources have only been affected in a very partial degree. The joint-stock banks allow 5 per cent. for money at call; $5\frac{1}{2}$ per cent. for money at 7 days' notice, and 6 per cent. for money at 14 days' notice.

Little or no change has occurred in English securities, but quotations have been fully supported. The tendency is not very decided just now, the death of Lord Palmerston and the re-organisation of the Ministry having kept transactions in check. Foreign securities have exhibited a moderate amount of business. The operations in any class have been limited, and within the last few days a general decadence has taken place. The speculative descriptions, such as Mexican, Spanish, Greek, and Turkish, are generally lower.

Railway shares have become weak through the late sales for the fall. Now the account is in course of adjustment, several of them are firmer, outstanding engagements having been closed.

Bank and finance shares are rather higher. A moderate good business is transacted in them, and through favourable dividends prices are sustained. The great feature however has been the gradual and progressive rise in the shares of Overend, Gurney and Co., which have gone to 9 $\frac{1}{2}$ to $\frac{1}{2}$ prem.

The produce markets have been pretty steady, with a fair extent of transactions. When there was a prospect of a further advance in the value of money the tendency was dull. There is now without doubt a much better feeling.

THE GRAIN TRADE.

NOTWITHSTANDING the large importation of all descriptions of cereals, the markets throughout the month have shown a gradually rising tendency. The recent wet weather has caused the samples brought to market to be in a less satisfactory condition than for some time past, particularly wheat. In consequence of the hardening tendency of prices, millers have bought but sparingly, and for other sorts business has also been very quiet. The latest official quotations were:—Wheat, 42s. 1d. per qr.; barley, 30s. 11d., and oats, 20s. 11d. per qr.; wheat is now 4s. per qr. dearer than at the corresponding period last year; barley 1s. per qr., and oats 10d. per qr. dearer.

The Gazette returns for England and Wales have been:—

Week ending, 1885.	Wheat Qrs. sold.	Weekly Average.	Duty.	Corresponding period Last Year.
		s. d.	s. d.	s. d.
Sep. 30	73,888	40 10	1 0	40 11
Oct. 7	76,387	41 1	1 0	39 8
" 14	89,312	41 11	1 0	38 9
" 21	78,404	42 1	1 0	38 1

The importations since the harvest of 1864 have been:—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Sixty-two weeks ended 23rd Sept....	22,666,194	30,474,167	53,140,361
Four weeks ended 21st October ...	2,841,016	3,124,413	5,965,429
	25,507,210	33,598,580	59,105,790

And the weekly averages have been:—

	Wheat.	Other Grain.	Total.
Sixty-two weeks ended 23rd Sept. ...	366,000	491,000	857,000
Four weeks ended 21st October ...	710,000	781,000	1,491,000
	More 344,000	290,000	634,000

STATE OF TRADE.

The state of business in the manufacturing districts was very animated at the commencement of the month. Since the Bank rate was raised to 7 per cent., the speculation in cotton at Liverpool has subsided, and this has interfered with activity at Manchester and elsewhere.

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February and August, instead of formerly in May and November. This has been rendered necessary by the great increase of the meetings of the Banks and Discount Companies, which will be always carefully collected in the pages of the *Bankers' Magazine*. We shall also give the proceedings of the various Credit and Finance Companies as they are more or less associated with banking, so that our subscribers and readers can refer to them without difficulty. One or two communications stand over for want of room. Correspondents will please forward communications addressed to the Editor No. 8, Birchin Lane; subscriptions and orders as usual to Messrs. Groombridge and Sons, Paternoster Row, or Messrs. Waterlow and Sons, Carpenters' Hall, London Wall. **BANKING AND FINANCIAL ANECDOTES.**—It will be perceived from notice elsewhere, that the Editor of the *Bankers' Magazine* is collecting and arranging a series of Banking and Financial Anecdotes. Any contributions from subscribers and readers of the *Magazine* will be thankfully received, particularly if the subject-matter shall not have previously appeared in print. Nothing personal or offensive will receive publicity.

BANK OF FRANCE.

DEBTOR.

	Sept. 28.		Oct. 5.		Oct. 12.		Oct. 19.		Oct. 26.	
	F.	C.	F.	C.	F.	C.	F.	C.	F.	C.
of the Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
in addition to al (Art. 8, Law of 9, 1857) ...	7,044,776	2	7,044,776	2	7,044,776	2	7,044,776	2	7,054,776	2
of the Bank branches ...	22,106,750	14	22,106,750	14	22,106,750	14	22,106,750	14	22,106,750	14
in landed pro- ...	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0	4,000,000	0
circulation ...	834,850,575	0	883,268,625	0	593,590,675	0	875,756,475	0	868,969,875	0
notes to order receipts payable ...	7,947,942	29	8,881,635	53	8,685,094	87	7,734,866	4	7,650,991	49
by account cur- ...	192,217,046	87	141,808,987	91	151,593,959	58	151,880,750	22	149,619,583	63
accounts, Paris ...	149,468,712	96	183,000,822	18	182,017,930	80	144,291,722	93	137,952,596	37
such banks ...	31,418,901	0	34,359,717	0	30,559,024	0	35,682,725	0	28,363,120	0
its payable ...	1,411,124	75	1,333,167	75	1,262,788	75	1,184,089	75	1,126,783	75
and sundry ...	5,928,512	65	6,852,249	25	7,662,065	75	8,323,236	37	8,760,770	44
ounted the last ...	1,427,623	17	1,427,623	17	1,427,623	17	1,427,623	17	1,427,623	17
months ...	752,993	36	752,993	36	752,993	36	752,993	36	752,993	36
of receipts not ...	9,502,599	48	15,547,955	8	12,846,753	54	12,239,979	63	12,062,296	36
ounted ...										
s... ..										
Total ...	1,450,576,557	67	1,492,882,332	34	1,496,060,354	98	1,454,907,987	63	1,432,340,159	72

CREDITOR.

	Sept. 28.		Oct. 5.		Oct. 12.		Oct. 19.		Oct. 26.	
	F.	C.	F.	C.	F.	C.	F.	C.	F.	C.
hand and cash ...	492,683,502	93	470,917,716	44	437,755,457	12	431,107,984	86	430,775,953	54
branch banks ...	339,873	90	365,405	73	228,966	44	479,288	46	2,146,988	10
cial bills over- ...	339,873	90	365,405	73	228,966	44	479,288	46	2,146,988	10
cial bills dis- ...	339,873	90	365,405	73	228,966	44	479,288	46	2,146,988	10
not yet due ...	339,873	90	365,405	73	228,966	44	479,288	46	2,146,988	10
ch banks ...	339,873	90	365,405	73	228,966	44	479,288	46	2,146,988	10
s on deposits ...	48,254,931	90	41,893,800	0	38,526,700	0	29,419,600	0	26,731,454	50
ch banks ...	12,630,300	0	12,627,600	0	12,661,900	0	12,638,700	0	10,280,300	0
French public ...	13,966,100	0	14,075,300	0	14,025,000	0	13,962,100	0	13,834,000	0
branch banks ...	9,273,700	0	9,136,100	0	9,310,600	0	9,310,700	0	9,062,700	0
railway shares ...	31,110,900	0	31,583,900	0	31,107,900	0	30,819,100	0	30,715,900	0
ventures ...	21,636,275	0	21,974,275	0	22,380,580	0	22,275,580	0	21,921,780	0
branch banks ...	21,636,275	0	21,974,275	0	22,380,580	0	22,275,580	0	21,921,780	0
Crédit Foncier ...	658,200	0	674,900	0	653,500	0	650,700	0	644,000	0
ches ...	465,450	0	470,450	0	478,550	0	482,250	0	480,550	0
State (Con- June 10, 1857) ...	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0	60,000,000	0
ent stock re- ...	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14
asable ...	36,546,487	91	36,449,737	91	36,449,737	91	36,449,737	91	36,449,737	91
Immobiliés June 9, 1857) ...	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
urn of Bank, ...	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0	100,000,000	0
ided property ...	8,440,244	0	8,443,462	0	8,406,813	0	8,435,813	0	8,441,402	0
ches ...	8,440,244	0	8,443,462	0	8,406,813	0	8,435,813	0	8,441,402	0
of manage- ...	1,474,236	48	1,524,264	23	1,547,743	33	1,564,949	59	7,770,622	62
... ..	10,304,310	93	11,763,520	84	11,335,100	87	9,727,159	17	10,339,285	42
... ..										
otal ...	1,450,576,557	67	1,492,882,332	34	1,496,060,354	98	1,454,907,987	63	1,432,340,159	72

FLUCTUATIONS IN ENGLISH AND FOREIGN STOCKS AND RAILWAY SHARES.

	Price on Sep. 28.	Highest.	Lowest.	Price on Oct. 27th.
ENGLISH FUNDS.				
Consols	89½ to ½	89½	88½	88½ to ½
Exchequer Bills	4/ dis.	1/ dis.	9/ dis.	8/to 2/dis
FOREIGN STOCKS.				
Brazilian	96	96	93	94
Buenos Ayres	—	88	86	87
Chilian	—	101½xd	101½xd	101½xd
Dutch 2½ per cents.	61½	61½	61	61
Mexican	26	27½	24½	25½
Peruvian 4½ per cents.	73	74	73	74
Russian	—	91	89	89
Spanish	—	46	45	45½
Turkish 6 per cents.	94½	95½	93½	94
Ditto 4 per cents.	100	100	99	99½
RAILWAY SHARES.				
Brighton	105½	106	104½	105
Caledonian	129½	130½	126½	128½
Great Eastern	48	49	46½	46½
Great Northern	133½	133½	130	131
Great Western	65½	65½	62½	63½
Lancashire and Yorkshire	121	122½	119½	112½
London and North Western... ..	124½	125½	122½	124½
Midland	126½	127½	124½	126
North Staffordshire	76½	77	75	75
South Eastern	80½	81½	79	80½
South Western	96	97	95	96½
York, Newcastle, and Berwick	111½	111½	109	110½
York and North Midland	104½	104½	102	103½
East Indian	104½	105	102½	103½
Northern of France	—	43½	43	43

CREDIT, FINANCE AND DISCOUNT COMPANIES.

	Share.	Paid.	London latest Prices.		Share.	Paid.	London latest Prices.
Australian Mortgage, Land and Finance (Lim.)	25	8	2½	Imperial Mercantile Credit (Lim.)	50	5	7½
Consolidated Discount (Lim.)	50	10	5	International Land Credit	20	6	6½
Contract Corporation (Lim.)	100	10	5	Joint Stock Discount (Lim.)	25	10	5½
Credit Foncier of Mauritius (Limited)	50	10	7½	Land Credit of Ireland	50	5	—
Credit Foncier and Mobilier of England	20	5	10½	Land Securities	50	5	2½
Discount Corporation (Lim.)	100	20	13	London Financial Associa- tion (Lim.)	50	15	21½
East India Financial	50	10	5½	London Mercantile Discount Mauritius Land, Credit and Agency (Lim.)	20	2	3
Egyptian Commercial and Trading	20	4	2½	National Discount Co. (Lim.)	25	5	12½
English and Foreign Credit Financial Discount (Lim.)	50	7½	3½	Oriental Financial	50	10	2½
General Credit and Finance of London (Lim.)	23	4	5½	Ottoman Financial Associa- tion (Lim.)	50	15	9
International Financial Society (Lim.)	20	5	6½	Overend, Gurney & Co. (Lim.)	50	11	2½
International Contract	50	10	7	Société Financière d'Egypte (Lim.)	20	10	6
				South African Mortgage and Investment (Lim.)	50	5	2
				Warrant Finance (Lim.)	50	10	5½

JOINT-STOCK BANKS.

	Share.	Paid.	London latest Prices		Share.	Paid.	London latest prices.
	£	£	£		£	£	£
and Masterman's, imited	50	25	57½	London Bank of Mexico and South America (Limited)	50	15	15½
on	50	10	7½	London Bank of Scotland (Lim.)	100	13	...
ance Bank of London and Liverpool, Limited ...	100	25	31½	London and Brazilian Bank Ditto, New	20	2½	2½
Ditto, issued at 30 pm. ...	100	25	31	London, Buenos Ayres and River Plate, Limited ...	100	40	55
to Austrian Bank	20	6	6½	Ditto, New, issued at 1½ pm.	25	10	13½
to Egyptian (Lim.)	50	12½	14	London Chartered of Australia	20	30	24½
to Italian (Lim.)	50	15	13½	London and County Bank ...	50	20	77½
tic Banking Corporation, w Shares issued at £15 n, on which £7. 10s. is id	20	5	19	London Joint Stock Bank ...	50	15	50½
of Australasia	40	40	71½	London & South African Bk.	20	20	16½
of British Columbia ...	20	20	23½	London and South Western (Limited)	100	20	19
of Egypt	25	25	31	Ditto, ditto, New	100	20	19
of London	100	50	141	London and Venezuela (Lim.)	50	12½	10½
of Otago (Limited)	20	9	7½	London & Westminster Bank	100	20	98
of Queensland, Limited	100	25	21½	Mercantile Bank (Limited) ...	100	25	26½
sh & Californian (Lim.)	50	7½	4	Ditto, New	100	10	10½
of New Zealand	10	10	16½	Mercantile Exchange (Lim.)	50	10	5½
of Victoria, Australia	50	25	45	Metropolitan and Provincial Bank, Limited	100	20	16
Bank (Lim.)	50	10	10½	Ditto, New	100	20	15½
lian & Portuguese (Lim.)	20	10	9½	Midland Bank (Limited) ...	100	20	18
h North American	50	50	47	National Bank	50	30	...
ered Bank of India	20	20	2½	National of Liverpool (Lim.)	100	10	16
ndia, London & China ...	25	25	50	National Provincial Bank of England	100	42	...
Bank	100	50	112	Ditto, 2d and 3d issues ...	20	12	...
ial Bank	100	25	42	New South Wales	20	20	44
ercial Bank of Canada	20	20	...	New Zealand Bank Corpora- tion (Limited)	10	1	½
the East	25	25	31	North Western	20	7½	11
idated Bank (Lim.)	10	4	10	Oriental Bank	25	25	51½
ental	100	25	...	Oriental Commercial Bank (Limited), late O. C. ...	20	7	6½
to, New	100	15	...	Ditto, ditto, late N. F. ...	...	4	3
nd London Bank (Lim.)	50	25	34	Ditto, ditto, late F. C. ...	...	4	...
ondon (Lim.)	50	5	5	Provincia. Banking Corpo- ration	50	7½	4½
r Exchange	20	5	4	Ditto, ditto	50	10	7
h Joint Stock (Lim.) ...	25	10	12	Provincial Bank of Ireland ...	100	25	84½
h, Scottish and Aus- an Chartered Bank ...	20	20	21½	Ditto, New	10	10	...
h and Swedish (Lim.)	50	20	15	Scinde, Punjab and Delhi (Limited)	20	10	6
an Bank (Limited)	50	15	12	Ditto, issued at 2 pm. ...	20	5	...
tan, China and Japan, ted	100	25	21	South Australian	25	25	35½
itto, issued at 2 pm. ...	100	25	19	Standard of British Africa (Limited)	100	25	15
itto, New	100	25	20	Do. New, issued at 6 pm.	100	10	4
al (Limited)	100	20	29	Union Bank of Australia ...	25	25	54
al Ottoman	20	10	16½	Union Bank of Ireland, Lim.	100	23	17
... ..	25	25	28	Union Bank of London ...	50	15	53½
New	25	5	4½				
ortgage Bk. of India	20	4	4½				

Bank of England Weekly Returns.

Account, pursuant to the Act 7th and 8th of Victoria, cap. 32, for the Weeks ending as follows:—

ISSUE DEPARTMENT.

	1865. Sept. 29.	1865. October 6.	1865. October 13.	1865. October 20.
	£	£	£	£
Notes issued	27,778,725	27,080,285	26,606,340	26,654,540
Government debentures	11,015,100	11,015,100	11,015,100	11,015,100
Other securities	3,634,900	3,634,900	3,634,900	3,634,900
Gold coin and bullion	13,128,725	12,440,285	11,966,340	12,004,540
Silver bullion				
	27,778,725	27,080,285	26,606,340	26,654,540

BANKING DEPARTMENT.

	1865. Sept. 29.	1865. October 6.	1865. October 13.	1865. October 20.
	£	£	£	£
Proprietors' capital	14,553,000	14,553,000	14,553,000	14,553,000
Reserve	3,811,178	3,823,042	3,134,080	3,173,548
Public deposits (Including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	7,330,010	6,991,910	7,229,737	3,598,353
Other Deposits	13,789,629	13,793,688	13,606,498	14,013,814
Seven day and other bills	530,863	593,628	549,574	562,913
	40,014,699	39,860,166	39,971,899	35,896,425
Government Securities (including Dead Weight Annuities)	10,394,309	10,394,309	9,811,242	9,338,477
Other Securities	22,522,316	4,170,280	24,086,476	21,447,287
Notes	6,276,030	4,362,125	4,294,145	4,331,609
Gold and Silver coin	832,094	743,553	797,008	795,118
	40,014,699	39,860,166	39,971,899	35,896,425

THE EXCHANGES.

	Sept. 29.	October 6.	October 13.	October 20.
Amsterdam, short	11 19	11 19½	11 19½	12 0½
Ditto 3 months	12 1½	12 2½	12 2½	12 2½
Rotterdam, ditto	12 1½	12 2½	12 2½	12 2½
Antwerp, ditto	25 57½	25 65	25 70	25 72½
Brussels, ditto	25 57½	25 65	25 70	25 72½
Hamburg, ditto	13 10	13 10½	13 10½	13 10½
Paris, short	25 27½	25 35	25 35	25 35
Paris, 3 months	25 60	25 60	25 62½	25 65
Marseilles, ditto	25 60	25 60	25 65	25 67½
Frankfort, ditto	121	121½	121½	121½
Vienna, ditto	11 17½	11 25	11 27½	11 30
Trieste, ditto	11 20	11 25	11 27½	11 30
Petersburgh, ditto	30	29½	30½	30½
Madrid, ditto	48	48	47½	47½
Cadix, ditto	47½	48	48½	48½
Leghorn, ditto	25 62½	25 72½	25 80	25 82½
Milan, ditto	25 60	25 70	25 80	25 80
Genoa, ditto	25 60	25 70	25 80	25 80
Naples, ditto	25 62½	25 72½	25 80	25 82½
Palermo, ditto	25 62½	25 72½	25 80	25 82½
Messina	25 62½	25 72½	25 80	25 82½
Lisbon, 3 months	51½	51½	51½	51½
Oporto, ditto	51½	51½	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard)	3 17 9	3 17 9	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0	0 0 0	0 4 11½
Silver in Bars (Standard)	0 6 1	0 0 9	0 0 0	0 5 1

Bankers' Weekly Circulation Returns.

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Aug. 28.	Sept. 2.	Sept. 9.	Sept. 18.
	£	£	£	£	£
Ashford Bank	11,849	11,593	11,850	12,445	11,330
Aylesbury Old Bank	48,461	22,761	23,894	24,336	24,404
Baldock and Biggleswade Bank ...	37,223	19,874	20,257	20,025	19,747
Barnstable Bank	17,182	3,216	3,196	3,200	3,406
Bedford Bank	34,218	28,750	30,052	30,540	30,417
Bicester and Oxfordshire Bank ...	27,090	14,039	14,407	14,581	14,884
Boston Bank—Claypons and Co.	75,069	64,640	64,581	64,104	66,889
Boston Bank—Gee and Co.	15,161	10,172	10,907	12,674	15,519
Bridgewater Bank	10,028	6,478	6,783	6,818	6,748
Bristol Bank	48,277	19,789	19,545	19,607	20,255
Broseley and Bridgnorth Bank ...	26,717	15,742	15,225	15,019	17,384
Buckingham Bank	29,557	20,784	19,979	21,006	20,222
Bury and Suffolk Bank	82,362	49,017	47,848	48,814	49,174
Banbury Bank	43,457	24,838	24,649	25,093	25,726
Banbury Old Bank	55,153	18,633	18,762	19,519	19,491
Bedfordshire Leighton Buzzard Bk.	36,829	36,203	35,545	34,886	34,496
Birmingham Bk.—Lloyds & Co.	38,816	1,947	1,920	1,885	1,858
Brecon Old Bank	68,271	46,856	47,312	47,025	50,526
Brighton Union Bank	33,794	16,655	16,573	17,097	17,664
Burlington and Driffield Bank	12,745	11,113	11,461	11,446	11,384
Bury St. Edmund's Bank	3,201	2,785	3,004	3,203	3,009
Cambridge Bk.—Mortlock & Co.	25,744	10,892	10,824	10,263	9,955
Cambridge and Cambridgeshire Bk.	49,916	38,359	38,606	39,464	41,223
Canterbury Bank	33,671	28,093	28,236	28,193	27,269
Carmarthen Bank	23,597	13,805	13,411	13,036	13,673
Chertsey Bank	3,436	2,408	2,282	2,480	2,279
Colchester Bank	25,082	16,720	17,156	16,496	15,920
Colchester and Essex Bank	48,704	28,988	29,233	28,923	28,381
Cornish Bank—Tweedy & Co.	49,869	23,061	24,072	24,485	22,863
Coventry Bank	12,045	4,615	4,546	4,293	4,140
City Bank, Exeter	21,527	14,795	14,940	15,537	16,480
Craven Bank—Alcock & Co.	77,154	69,610	70,725	73,639	73,740
Chépstow Old Bank	9,387	7,585	7,935	7,655	7,577
Derby Bank—Messrs. Evans & Co.	13,332	8,149	7,644	7,859	8,055
Derby Bank—Smith and Co.	41,304	27,994	28,534	29,891	29,488
Derby Old Bank	27,237	25,844	27,203	28,465	26,574
Devizes and Wiltshire Bank	20,674	7,277	7,082	6,770	6,612
Diss Bank	10,657	10,550	10,187	9,858	10,003
Doncaster Bank and Retford Bank	77,400	64,711	63,546	66,746	65,861
Darlington Bank	86,218	77,891	79,987	82,451	83,609
Devonport Bank	10,664	6,163	6,633	6,706	7,021
Dorchester Old Bank	48,807	38,412	38,385	38,650	39,095
East Cornwall Bk.—Robins & Co.	112,280	74,221	75,241	75,934	75,551
East Riding Bank—Bower & Co.	53,392	51,516	52,275	53,072	52,827
Essex Bk. & Bishop's Stortford Bk.	69,637	36,125	37,089	37,908	38,486
Exeter Bank	37,894	19,995	19,523	20,118	19,651
Farnham Bank	14,202	5,735	5,660	5,685	5,796
Faversham Bank	6,681	4,938	4,976	5,232	4,955
Godalming Bank	6,322	4,830	4,822	4,676	4,363
Guildford Bank	14,524	10,719	10,730	10,444	9,984
Grantham Bank—Hardy and Co.	30,372	21,002	19,260	20,584	20,672
Hull & Kingston-upon-Hull Bank ..	19,979	16,299	16,862	16,498	17,285
Huntingdon Town & County Bank	56,591	31,836	32,801	32,709	34,461
Harwich Bank	5,778	4,825	4,553	4,663	4,763
Hertfordshire, Hitchin Bank	38,764	31,283	30,932	30,450	30,973
Ipswich Bank	21,901	16,306	15,715	16,630	17,557

WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Aug. 28.	Sept. 2.	Sept. 9.	Sept. 18.
	£	£	£	£	£
57 Ipswich & Needham Market Bank	80,699	50,031	49,815	50,114	52,006
58 Kentish Bank—Mercer & Co.	19,895	12,117	12,348	11,607	11,285
59 Kingston and Radnorshire Bank....	26,050	19,513	20,594	21,004	21,543
60 Knaresborough Old Bank	21,825	17,174	17,068	17,505	18,142
61 Kendal Bank	44,663	37,290	37,752	38,705	40,555
62 Longton Staffordshire Bank	5,624	5,260	5,183	5,043	5,048
63 Leeds Bank	53,357	51,610	51,574	52,035	55,185
64 Leeds Union Bank	37,459	36,219	35,740	36,830	37,050
65 Leicester Bank.....	32,322	21,406	22,429	22,953	21,529
66 Lewes Old Bank	44,836	28,780	28,664	28,352	28,512
67 Lincoln Bank	100,342	75,823	74,789	79,068	82,139
68 Llandovery Bank & Llandilo Bank	32,945	21,609	19,367	19,096	20,253
69 Loughborough Bank	7,359	5,875	5,921	5,585	5,513
70 Lymington Bank.....	5,038	2,688	2,694	2,588	2,458
71 Lynn Regis and Lincolnshire Bank	42,817	28,040	28,880	29,960	30,784
72 Lynn Regis and Norfolk Bank ...	13,917	11,575	11,749	11,903	12,447
73 Macclesfield Bank	15,760	13,350	12,630	12,445	12,920
74 Manningtree Bank	7,692	5,225	5,345	5,380	5,586
75 Merionethshire Bank	10,906	6,356	6,007	6,006	6,725
76 Miners' Bank	18,688	19,429	18,347	18,579	17,565
77 Monmouthshire Agricultural and Commercial Bank	29,335	28,765	27,055	28,021	28,100
78 Monmouth Old Bank	16,385	4,089	4,058	4,639	4,549
79 Newark Bank	28,788	19,227	19,014	19,006	20,325
80 Newark and Sleaford Bank	51,615	41,621	42,545	41,854	43,285
81 Newbury Bank.....	36,787	12,775	12,855	13,075	12,793
82 Newmarket Bank.....	23,096	14,926	14,774	14,746	14,844
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	45,174	45,773	45,200	45,869
84 Norwich and Norfolk Bank	105,519	71,512	72,727	73,018	71,714
85 Nottingham & Nottinghamsh. Bk.	10,866	7,513	6,834		
86 Naval Bank, Plymouth	27,321	21,165	20,646	20,430	20,597
87 New Sarum Bk.—Pinckneys, Bros.	15,659	6,702	6,454	6,336	6,691
88 Nottingham Bank	31,047	22,780	22,223	22,505	23,384
89 Oswestry Bank	18,471	10,715	10,680	11,261	11,044
90 Oxford Old Bank.....	34,391	31,237	31,562	31,329	30,115
91 Old Bank, Tonbridge	13,183	8,360	7,889	7,943	7,756
92 Oxfordshire Witney Bank	11,852	8,216	8,456	8,453	8,908
93 Pease's Old Bank, Hull	48,807	42,494	43,693	44,880	45,984
94 Penzance Bank	11,405	8,620	8,938	9,302	8,837
95 Pembrokeshire Bank	12,910	8,885	8,833	9,415	9,839
96 Reading Bank—Simonds & Co....	37,519	25,643	26,858	26,130	26,315
97 Reading Bk.—Stephens, Blandy & Co.	43,271	25,640	24,870	25,463	24,923
98 Richmond Bank, Yorkshire	6,880	5,272	5,351	5,542	5,537
99 Rochdale Bank	5,590	1,533	1,372	1,384	1,209
100 Royston Bank	16,393	8,947	9,006	9,077	8,807
101 Rugby Bank.....	17,250	8,665	8,364	8,532	8,831
102 Rye Bank	29,864	9,905	9,938	9,990	10,217
103 Saffron Walden & North Essex Bk.	47,646	19,270	19,477	19,785	20,231
104 Salop Bank	22,338	9,294	9,635	9,908	9,473
105 Scarborough Old Bank	24,813	20,474	21,124	21,267	21,000
106 Shrewsbury Old Bank.....	43,191	28,984	28,689	28,432	28,526
107 Sittingbourne and Milton Bank .	4,789	3,400	3,526	3,525	3,534
108 Southampton Town & County Bk.	18,589	8,699	8,803	9,270	9,174
109 Southwell Bank	14,744	8,116	8,246	8,859	8,523
110 Southampton and Hampshire Bk.	6,770	1,993	2,064	2,087	1,922
111 Stafford Old Bank	14,166	10,606	10,288	11,027	11,179
112 Stafford and Rutland Bank ...	31,858	16,798	17,326	16,623	17,353
113 Shrewsbury and Welsh Pool Bank	25,336	18,948	19,235	19,927	20,000
114 Taunton Bank	29,799	20,551	20,477	20,951	20,722
115 Tavistock Bank	13,421	9,871	10,778	12,165	12,522

WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Aug. 28.	Sept. 2.	Sept. 9.	Sept. 16.
	£	£	£	£	£
16 Thornbury Bank	10,026	7,787	7,756	7,831	8,155
17 Tiverton and Devonshire Bank ...	13,470	9,333	9,132	9,152	9,265
18 Thrapstone and Kettering Bank...	11,559	11,606	11,449	10,995	11,364
19 Tring Bank and Chesham Bank..	13,531	13,067	13,219	13,510	13,510
20 Towcester Old Bank	10,801	5,892	6,150	6,199	6,515
21 Union Bank, Cornwall	17,003	13,699	14,759	15,747	15,201
22 Uxbridge Old Bank	25,136	8,503	9,005	8,635	8,005
23 Wallingford Bank	17,064	5,400	5,443	5,530	5,265
24 Warwick and Warwickshire Bank	30,504	17,447	17,710	18,049	18,823
25 Wellington Bank, Somerset	6,528	3,810	3,242	3,559	3,329
26 West Riding Bank	46,158	38,079	37,936	38,849	39,925
27 Whitby Old Bank	14,258	12,904	12,915	13,720	13,726
28 Winchester, Alresford & Alton Bk.	25,892	11,696	10,634	10,372	9,994
29 Weymouth Old Bank	16,461	15,555	15,450	15,134	15,375
30 Wirksworth and Derbyshire Bk.	37,602	23,925	33,479	34,424	35,153
31 Wisbeach and Lincolnshire Bank	59,713	33,697	33,618	35,075	36,468
32 Wiveliscombe Bank	7,602	3,875	3,749	3,842	4,143
33 Worcester Old Bank	87,448	43,461	43,666	46,187	48,039
34 Wolverham. Bk.—R. & W. Fryer	11,867	10,272	9,373	8,924	9,803
35 Yarmouth and Suffolk Bank	53,060	34,775	35,073	35,535	35,931
36 Yarmouth, Norfolk, & Suffolk Bk.	13,229	7,624	8,275	8,705	8,432
37 York Bank	46,387	36,554	36,249	36,948	38,292

JOINT STOCK BANKS.

1 Bank of Westmorland	12,225	9,974	10,048	10,451	10,535
2 Barnsley Banking Company	9,563	9,318	9,457	9,565	9,563
3 Bradford Banking Company	49,292	50,806	50,569	48,210	47,468
4 Bilston District Banking Company	9,418	9,288	9,305	9,144	9,063
5 Bank of Whitehaven	32,681	27,182	27,773	27,029	26,141
6 Bradford Commercial Banking Co.	20,084	20,382	19,713	19,787	20,193
7 Burton, Uttoxeter, and Staffordshire Union Banking Co.	60,701	40,118	38,049	39,948	40,827
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	8,824	8,699	8,431	8,589
9 Cumberland Union Banking Co. .	35,395	34,302	32,836	32,980	34,955
10 Coventry and Warwickshire Bk. Co.	28,734	14,833	13,983	15,345	15,016
11 Coventry Union Banking Company	16,251	10,447	10,389	10,038	10,590
12 County of Gloucester Banking Co.	144,352	97,602	97,120	100,016	100,540
13 Carlisle & Cumberland Banking Co.	25,610	24,800	25,030	24,337	24,451
14 Carlisle City and District Bank ...	19,972	19,652	19,947	20,159	20,091
15 Dudley & West Bromwich Bk. Co.	37,696	28,291	27,953	28,088	28,437
16 Derby and Derbyshire Banking Co.	20,092	17,526	18,601	18,913	20,628
17 Darlington Dist. Joint Stock Bk. Co.	26,134	24,372	23,965	25,040	24,997
18 Gloucestershire Banking Company	155,920	137,823	141,305	141,703	141,835
19 Halifax Joint Stock Bank	18,534	17,168	17,495	16,975	17,106
20 Huddersfield Banking Company...	37,354	32,720	31,870	31,633	31,185
21 Hull Banking Company	29,333	28,300	29,245	29,255	27,650
22 Halifax Commercial Banking Co..	13,733	13,353	13,543	12,970	12,713
23 Halifax & Huddersfield Union Bk.	44,137	41,244	39,425	38,568	40,532
24 Helston Banking Company	1,503	1,474	1,516	1,476	1,515
25 Knaresborough and Claro Bk. Co.	28,055	24,376	24,221	24,890	25,755
26 Lancaster Banking Company	64,311	52,854	53,177	54,030	54,609
27 Leicestershire Banking Company...	86,060	49,079	48,800	48,139	49,497
28 Lincoln and Lindsey Banking Co..	51,620	47,820	48,050	49,630	49,810
29 Leamington Priors and Warwick- shire Banking Co.	13,875	9,315	9,125	10,018	9,227
30 Ludlow and Tenbury Bank	10,215	8,893	8,582	8,888	9,531
31 Moore & Robinson's Notts. Bank...	35,813	28,313	29,460	27,431	28,143
32 Nottingham and Notts. Banking Co.	29,477	25,230	24,810	24,733	24,455
33 National Provincial Bk. of England	442,371	420,672	423,005	426,688	440,792
34 North Wilts Banking Company ...	63,939	41,955	42,726	41,963	43,029

WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Aug. 28.	Sept. 2.	Sept. 9.	Sept. 16.
	£	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	61,473	62,060	61,719	62,366
36 Northamptonshire Banking Co. ...	26,401	19,440	19,732	19,168	18,670
37 North and South Wales Bank.....	63,951	57,757	58,738	58,708	64,266
38 Pare's Leicestershire Banking Co...	59,300	48,953	48,737	47,720	48,307
39 Saddleworth Banking Company ...	8,122	334	330	330	330
40 Sheffield Banking Company.....	35,843	33,960	35,535	36,161	36,695
41 Stamford, Spalding & Boston Bk. Co.	55,721	41,280	41,931	44,505	47,481
42 Stuckey's Banking Company	356,976	294,524	294,880	305,999	306,605
43 Shropshire Banking Company.....	47,951	38,285	36,875	36,348	38,655
44 Stourbridge and Kidderminster Bk.	56,830	48,261	47,850	49,492	49,702
45 Sheffield and Hallamshire Bank ...	23,524	21,646	23,134	24,650	24,343
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	50,583	52,229	52,892	50,355
47 Swaledale and Wensleydale Bank...	54,372	43,539	42,495	42,467	44,727
48 Wolverhampton & Staffordsh. Bk...	35,378	22,260	22,426	21,944	23,457
49 Wakefield and Barnsley Union Bk.	14,604	14,188	14,015	14,690	14,373
50 Whitehaven Joint Stock Bank ...	31,916	23,882	24,314	24,490	24,190
51 Warwick and Leamington Bk. Co.	37,124	24,204	24,352	25,452	25,141
52 West of Eng. & S. Wales District Bk.	83,535	85,088	79,821	82,347	84,408
53 Wilts & Dorset Banking Company	76,162	69,642	72,297	74,282	78,902
54 West Riding Union Banking Co....	34,029	32,034	32,520	32,658	34,510
55 Whitechurch and Ellesmere Bk. Co.	7,475	4,973	5,243	5,345	5,265
56 Worcester City and County Bk. Co.	6,848	5,438	5,136	6,208	6,100
57 York Union Banking Company ...	71,240	70,199	70,463	70,262	70,352
58 York City and County Banking Co.	94,695	84,287	84,462	86,565	88,646
59 Yorkshire Banking Company	122,532	116,662	115,910	119,316	124,595

Irish and Scotch Circulation Returns.

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 16th day of September, 1865.

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during Four Weeks ending as above.			Average Amt. Gold & Silver Coin held during Four Weeks ending as above.
		£1 and upwards.	Under £1.	Total.	
	£	£	£	£	£
Bank of Ireland	3,738,428	1,506,800	1,054,275	2,561,075	533,016
Provincial Bank of Ireland	927,667	404,109	498,011	902,120	389,638
Belfast Bank	281,611	133,567	300,646	434,213	218,462
Northern Bank	243,440	105,808	254,468	360,276	191,332
Ulster Bank.....	311,075	179,938	288,730	468,668	196,825
The National Bank.....	852,269	631,213	581,028	1,212,241	549,330
TOTALS (Irish Banks) ...	6,354,494	2,961,435	2,977,158	5,938,593	2,078,603

SCOTCH BANKS.

Bank of Scotland	300,485	163,556	322,508	486,064	279,862
Royal Bank of Scotland ...	216,451	187,502	336,147	523,649	363,700
British Linen Company	438,024	167,843	312,716	480,560	275,266
Commercial Bk. of Scotland	374,880	184,973	375,519	560,492	281,784
National Bank of Scotland..	297,024	159,345	311,182	470,527	236,465
Union Bank of Scotland ...	454,346	180,876	391,270	572,246	241,541
Aberdeen Town and Co. Bk.	70,133	58,566	84,213	142,779	79,081
North of Scotland Bk. Co...	154,319	90,682	111,277	201,959	74,781
Olydesdale Banking Co. ...	274,321	134,830	239,285	374,115	142,244
City of Glasgow Bank	72,921	130,698	231,253	361,952	337,881
Caledonian Banking Co. ...	53,434	24,562	48,723	73,285	36,240
Central Bank of Scotland...	42,933	21,432	36,501	57,933	27,971
TOTALS (Scotch Banks)...	2,749,271	1,504,865	2,800,694	4,305,561	2,370,797

CIRCULATION RETURNS.

SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	August 26.	Sept. 2.	Sept. 9.	Sept. 16.
136 Private Banks	£4,178,285	£2,826,563	£2,835,090	£2,872,861	£2,913,145
59 Joint-Stock Banks ...	3,226,257	2,741,207	2,745,297	2,780,689	2,831,949
195 Totals.....	7,404,542	5,567,770	5,580,387	5,653,550	5,745,094

Average Weekly Circulation of these Banks for the month ending September 16th:—

Private Banks	£2,961,915
Joint-Stock Banks	2,774,785

Average Weekly Circulation of Private and Joint-Stock Banks ending as above £5,836,700

On a comparison of the above with the Returns for the month ending August 19th last, it shows:—

An increase in the notes of Private Banks, of	£18,784
An increase in the notes of Joint-Stock Banks, of	26,582

Total increase on the month £45,366

And as compared with the month ending September 17th, 1864, it shows:—

A decrease in the notes of Private Banks, of	£109,810
A decrease in the notes of Joint-Stock Banks, of	14,101

Total decrease, as compared with the same period of last year £123,511

The following is the comparative state of the circulation as regards the fixed issues:—

The Private Banks are below their fixed issues	£1,316,370
The Joint-Stock Banks are below their fixed issues	451,472

Total below their fixed issues ... £1,767,842

SUMMARY OF IRISH & SCOTCH RETURNS TO SEPTEMBER 16, 1865.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending September 16th when added together, give the following as the average weekly circulation of these Banks during the past month, viz.:

Average Circulation of the Irish Banks £5,938,593
Average Circulation of the Scotch Banks 4,305,561

Total Average Circulation of these banks for the past month £10,244,154

On comparing these amounts with the Returns for the month ending 19th August last, they show:—
Increase in the Circulation of Irish Banks £274,680
Decrease in the Circulation of Scotch Banks 44,168

Total increase on the month £230,472

And as compared with the month ending September 17th, 1864, they show:—
Increase in the Circulation of Irish Banks £610,520
Increase in the Circulation of Scotch Banks 131,205

Total increase on the year £741,725

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue... £8,354,494
13 Banks in Scotland, allowed to issue 2,749,271

18 Banks in all, allowed to issue £9,103,765

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are below their fixed issue £415,901
Scotch Banks are above their fixed issue 1,556,290

Total above the fixed issue £1,140,389

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—
Gold and Silver held by the Irish Banks £2,078,603
Gold and Silver held by the Scotch Banks 2,376,797

Total of Gold and Silver Coin..... £4,455,400

Being an increase of £38,419 on the part of the Irish Banks, and a decrease of £17,859 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

CIRCULATION OF THE UNITED KINGDOM TO SEPTEMBER 16, 1865.

The following is the state of the Note Circulation of the United Kingdom for the month ending the 16th September, 1865:—

Circulation of Notes for the Month ending 16th September, as compared with the previous month:—

	August 19.	Sept. 16.	Increase.	Decrease.
Bank of England (month ending Sept. 13)	£22,178,744	£21,617,745	—	£560,999
Private Banks	2,843,131	2,861,915	£18,784	—
Joint-Stock Banks	2,748,203	2,774,785	26,582	—
Total in England.....	27,770,078	27,254,445	45,366	560,999
Scotland.. ..	4,342,689	4,305,561	—	44,108
Ireland	5,664,013	5,938,593	274,580	—
United Kingdom.....	237,783,760	237,498,599	319,946	605,107

The comparison of the month ending September 17th, 1864, with the month ending September 16th, 1865, shows an increase in the Bank of England circulation of £999,063, a decrease in Private Banks of £109,910, and a decrease in Joint-Stock Banks of £14,101; being a total increase in England of £875,153; while in Scotland there is an increase of £131,205; and in Ireland an increase of £610,520. Thus showing that the month ending 16th September, as compared with the same period last year, presents an increase of £875,153 in England, and an increase of £1,616,877 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending September 15th, gives an aggregate amount in both departments of £14,397,146. On a comparison of this with the Return for the month ending August 16th, there appears to be a decrease of £44,163; and an increase of £1,322,966 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 16th September was £4,455,400; being an increase of £30,560 as compared with the Return of the previous month, and an increase of £326,797 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from September 27, 1865, inclusive.

[illegible]

FOREIGN STOCKS.—(*October 27th, 1865.*)

Brazilian Bonds, 5 per Cent.	94	Spanish Bonds 3 per Centa.	457
Brazilian 4½ per Centa.	70	Ditto 3 per Cent. Deferred	38
Buenos Ayres 6 per Centa.	87	Turkish 6 per Cent.	94
Chilian Bonds 6 per Cent.	103	Turkish 3 per Centa., Guaranteed	94
Chilian 4½ per Centa.	60	Venezuelan 3 per Centa.	17
Mexican 3 per Cent.	20	(Dividends on the above payable in London.)	
Peruvian 4½ per Cent.	74	Dutch 3½ per Cent.	61
Peruvian 3 per Centa.	83	Ditto 4 per Cent. Loan	94
Portuguese Bonds 3 per Cent.	40	French 4½ per Cent., at Paris	
Russian Bonds, 1872, 5 per Cent. & Nter.	49	27th October	760
Ditto 4½ per Cent.	90	Ditto 5½ per Cent.	107

RAILWAY SHARES.—(*October 27th, 1865.*)

COMPANY.	Paid up	Prices Oct. 27.	Prices Sept. 24.
Bristol and Exeter	... 100	92	94
Calcutta	... 100	124	124
Oakland	... 100	74	74
Great Eastern	... 100	44	44
Great Northern	... 100	44	44
Great Northern	... 100	131	131
Gr. South. & West. (Irel.)	... 100	91	92
London & West	... 100	61	61
Lancashire & Yorkshire	... 100	124	124
London and Blackwall	... 100	80	80
London and Brighton	... 100	105	105
South. Western	... 100	124	124

COMPANY.	Paid up	Prices Oct. 27.	Prices Sept. 24.
London & South-Western	... 100	103	103
London Chatham & Dover	... 100	48	48
Manchester & Sheffield	... 100	74	74
Midland	... 100	120	120
North British	... 100	92	92
North Staffordshire	... 174	75	77
North Devon	... 100	67	69
North Eastern	... 100	60	61
York Newcastle & A. & N. York	... 100	111	111
York & North Midland	... 100	104	104

The closing prices of the day were omitted.

***The character names of the day are quoted.**

THE BANKERS' MAGAZINE,

AND

Journal of the Money Market.

DECEMBER, 1865.

BANK CHECKS ON BANK CLERKS.

It is said that when companies are prosperous, there is little chance of getting shareholders to look after their own affairs, and that words of warning are only listened to after the occurrence of calamities which timely attention to them might have averted. If this were an invariable rule, we should confess to a conviction that the writing of the present article would prove a bootless task. Our banks are for the most part prosperous and healthy, their deposits large, the rate of discount high, credit in the main sound, and business active, without any very dangerous amount of speculation. At such a time, it may seem a work of supererogation to dwell seriously upon a matter of common-place and every-day detail. Yet one or two lamentable instances of defalcation induce us to urge upon the banking world the desirability, or rather the imperative necessity, of some more frequent and efficacious check upon the accounts of banking employes than is at present common. We are not now alluding to cases of the Pullinger and Durden class, in which one trusted servant has robbed his employers to the sum of fifty, or five times fifty, thousand pounds. Exceptional instances like these, especially when the delinquent is a highly-placed official, may be accounted for by saying that directors and shareholders must trust some one, and that if perverted ingenuity hits upon a new expedient for evading scrutiny, or escaping detection, there is nothing for shareholders to do but to make up the deficiency and bear their losses with what philosophy they may.

But our present concern is with offenders of a different class. We are not now dealing with the generals-in-chief, or the field

officers of our commercial army, but with its rank and file. We are not about to suggest a new check, but the more constant application of an old one; not to indicate a place which has hitherto been left unguarded, but to urge that a watch, which every one admits to be necessary, should be rendered constant and effective. As to the mass of our bank clerks, it will be universally admitted that an efficient system of checks is a matter, not only of business policy, but of moral duty. It cannot be concealed that the development of a highly organized system of banking, as of other business, has tended to augment the value and to diminish the proportion of prizes within the reach of salaried servants. Of the multitude of young men who enter as bank clerks, only a very few will ever rise above "the daily drudgery of the desk's dull wood." Their lives will be spent in the performance of routine duties, but duties nevertheless, requiring incessant vigilance of eye, rapidity of hand, and activity of brain; but whose faithful discharge will never lift them above a position at the best of modest competence, at the worst of decent poverty and struggling gentility. Cases sometimes occur which show that in many thriving establishments, the condition of the clerks is infinitely below this. The wise liberality which has led many employers to give bonuses on salaries, and occasional gratuities in periods of exceptional success, has not been universally imitated, and in consequence we hear every now and then of men whom a lifetime of exemplarily discharged service has failed to raise above the daily and painful pressure of actual poverty. We do not say that such things are common, though we do say that they exist, but it is not necessary to cite extreme cases in order to point the moral which we now desire to impress upon our readers. By every consideration of regard for their own interest, by every prompting of duty towards their employes, we hold it to be the duty of bank proprietors and managers to keep their clerks well in check. And the system of check, to be effective, should be not only complete, but constant. If not actually, those subject to it should feel that it is, potentially, applied every day of their lives under a thoroughly efficient supervision; certain lamentable instances of which we have recently heard, ought to be impossible. There is surely something wrong in a system which leaves uncounted money in the hands of an ordinary cashier, three or six months, without any control by superior authority. We can but think that this involves a needless and undesirable exposure of the servant to temptation; of the master, whether individual or company, to serious loss. And this latter consideration becomes the more important when we remember the

multitudinous opportunities which this remissness in checking accounts affords to dishonest servants ; the constant temptations to wrong doing, which it places in the way of honest ones. A clerk or chashier overhears a conversation about some operation on 'Change which is sure to send up some particular stock. He knows that the people who are talking are likely to be well informed, and he has in his till, money enough to make a good thing out of the speculation. He knows also that he has but seldom to verify his statement of the contents of his till, and he believes that long before it is checked again he will have been able to make "a good thing" for himself and family out of the knowledge chance has thrown in his way. The false step once taken, an innumerable multitude of witnesses show how inevitable is the day of doom. *Facilis decensus averni*. Whether, in any instance, those who have once crossed the line that divides the faithful from the unfaithful servant have found their way back undetected, we cannot say, but the records of our criminal courts abound with the names of men who have found their way to the felon's dock through indulging the fatal self-deception that borrowing their employer's money without his consent was not dishonesty if the borrower, who became so by thus abusing the confidence reposed in him, purposed to return what he had taken at some convenient but indefinitely delayed season. It is almost superfluous for us to say that we offer no apology for crime, that we extenuate not the offence of those who resort to a plausible but transparent self-deception in order to disguise from their own souls the gravity of the offence they commit, either under pecuniary pressure or under the influence of the common but delusive hope of becoming suddenly rich ; but we do desire earnestly to press upon the proprietors and managers of banking and similar establishments the importance of removing all unavoidable temptation from their servants' way. A man who would scout the idea of stealing a pocket handkerchief, may not always discriminate between borrowing and stealing money for which he is accountable. And the men upon whom the now too common laxity exercises the most deleterious influence, are precisely those who are most likely to have their integrity tried by hearing of apparently golden opportunities for enlarging their fixed and sometimes straitened incomes.

We may be asked what remedy we propose for the mischief on which we have been commenting. We reply that we have no new nostrum to propound, nor any patent plan for making people honest, to publish. We think too well of bank clerks to believe that any large proportion of them will ever yield to

temptation, but we desire to shield them by removing the circumstances which now make it formidable. We would simply recommend that the balances in every cashier's till be checked at least once in three or four days, instead of in as many months; and we would have the time of such checking uncertain, in order that no forethought might enable a defaulter to evade his superior's scrutiny. To the thoroughly honest and faithful clerk this would be no hardship, inasmuch as it would only the more conclusively prove his value; to the would-be pilferer it would be an insurmountable obstacle in the way of his nefarious designs, while to the morally weak and vacillating; to those who commit crimes through concealing their enormity from themselves; who become thieves and forgers, through calling acts of moral turpitude by specious names, the knowledge that discovery was not only certain but immediate, would act as an effectual safeguard, and would save from the felon's dock and the convict's prison many who, under the existing system, may get there through the combined operation of their own laxity of principle, and their master's negligence in practice. To avert these evils, to save the instruments of banking property from the wretched and hopeless and utter ruin consequent on a criminal conviction, is surely worth the expense of an extra salary, even if such should be found necessary to ensure the constant application of the check we have suggested. But if additional motive be wanting, it is to be found in regard for the shareholders' interests, which, as experience has shown, may be more easily and more seriously jeopardised through the loss entailed by the ruin of one, than by securing, at a comparatively small expense, the security of a great number.

THE AMERICAN GRAIN TRADE THROUGHOUT THE WAR

THE American grain trade, for several years past, has gained steadily and rapidly in bulk and importance; and, among the well-informed, the opinion is now pretty general that at no distant period the grain trade of England and of Europe will be greatly affected by it. The form which the question of the American grain trade assumes as regards the future and ourselves is, that the new Western lands are extremely fertile, admit of rapid and inexpensive appropriation and cultivation, and pay no rent. Or, put differently, while the English farmer without the profits of stock-raising, could not pay his way with wheat at 40s. per imperial quarter, the Western farmer might maintain himself, not in affluence certainly, but still comfortably,

were he to be paid no more than one shilling a bushel for wheat, or 8s. an imperial quarter. Hence the apparent prospect of an eventual deluge of American grain, and the appropriation of all the best English wheat lands by the grazier. But the Western farmer is from 5,000 to 6,000 miles distant from Mark Lane, and his wheat would be cheaply carried were it put on board lighters in the City Canal at a charge of 8s. more. That brings the cost to 16s. a quarter, against 40s.; and it may readily be imagined that 8s. a quarter for wheat in the Western States would not encourage and stimulate cultivation. The Western farmer would no doubt be well pleased with twice 8s.; which, with carriage, would raise the price at which Western wheat could be profitably offered in Mark Lane to 24s. That it is not so offered at the present time, merely proves that the Western supply is still deficient; and it by no means proves that the Western farmer is just now realizing the actual price paid by the English consuming classes. The disbanding of the Federal armies, and the settlement of great numbers of the soldiers on Western lands under the homestead law, may largely increase the production next year. The present proportions of the trade are to be gathered from the recent report of Mr. Isaac Newton, the Commissioner of Agriculture at Washington. The yield of 1863 and 1864 and its value is as follows:—

QUANTITY.				
	Bushels. 1863.	Bushels. 1864.	Bushels. Increase.	Bushels. Decrease.
Indian corn	397,839,212	530,451,403	132,612,191	—
Wheat	173,677,928	160,695,823	—	12,982,105
Rye	19,989,335	19,872,975	—	116,360
Oats	170,129,864	175,990,194	5,860,330	—
Barley	12,158,895	10,716,328	—	1,442,567
Buckwheat	15,786,122	18,700,540	2,914,418	—
Potatoes	98,965,198	96,532,029	—	2,433,169
	<u>888,546,554</u>	<u>1,012,959,292</u>	<u>141,386,939</u>	<u>16,974,201</u>
VALUE.				
Indian value	\$278,069,609	\$527,718,183	\$249,628,574	—
Wheat	197,992,837	294,315,119	96,322,282	—
Rye	20,569,015	31,975,013	11,385,998	—
Oats	105,990,905	139,381,247	33,390,342	—
Barley	13,446,373	16,941,023	3,444,650	—
Buckwheat	12,660,469	21,986,763	9,326,294	—
Potatoes	55,024,650	77,184,043	22,159,393	—
Tobacco	24,239,609	29,335,225	5,095,616	—
Hay	247,680,855	365,707,074	118,026,219	—
	<u>\$955,764,322</u>	<u>\$1,504,543,690</u>	<u>\$548,779,368</u>	<u>—</u>

Previous to the war, cotton was the great disturber and regulator of the exchange with the United States, which the grain trade has since become ; but become only until such time as the production of American cotton is once more fully under way. Throughout the war, if credits were to be put up in London, for exchange or other purposes, flour, wheat, and Indian corn were in request in New York ; and the Western store houses gave of their abundance to the extent required. But when the circumstances were urgent, or when the quotations in New York were in excess of those at Mark Lane, which they frequently have been, and now are, the precious metals were employed. Apparent as this has been to all observers, it strangely seems to have escaped attention, both in New York and the Western States, that one of the earliest and surest consequences of the cessation of the war would be a demand for many articles which were not thought of, or if thought of were not sought while the war lasted. The United States are just now large buyers of almost everything usually supplied by Europe ; and at the same time they are not in a position to render the Western grain supplies available for payment. Winter has set in, and the watercourses leading to and from the Western States are frozen. The consequence is, that no considerable quantity of grain can be brought forward until next summer ; indeed, it is at the moment doubtful whether the Atlantic seaboard cities are adequately supplied for their own consumption. Those cities are for once bare of stock when large accumulations ought to have been on hand, and the penalty incurred by them may be that of a considerable and inconvenient, if not embarrassing, drain of the precious metals. But, under the peculiar circumstances, the oversight is excusable. Men of means in New York, Boston, Philadelphia, Baltimore, and Portland never, perhaps, had greater reason for keeping their resources in a state of readiness for possible emergency ; for there is no saying to what results large specie drafts on the reserves of an inflated, and to some extent an unsound system of banking would shortly lead. Between the banking system of the Eastern States, which now obtains, and that which existed before the war, the points of comparison of a favourable character are not many. The old established system has been supplemented and overborne by another, the basis of which is the possession of certain forms and amounts of indebtedness of the United States Treasury. Upon the security of those forms and amounts of indebtedness there have been new issues of notes, and in a season of perplexity it would not be satisfactory to the American public, were the new issues

of notes inconvertible into coin on anything that might be offered by the holders.

The present position of the American grain trade is partly to be gathered from the imports into the United Kingdom for the nine months ending the 30th September, and partly from the movements on the Erie Canal from Buffalo and Oswego to Tide Water, at Albany, since the opening of the canal to the 4th October :—

AMERICAN GRAIN IMPORTS INTO THE UNITED KINGDOM.

1865	854,212 cwt.
1864	7,100,042 „
1863	6,726,742 „

ERIE CANAL RECEIPTS AT TIDE WATER.

	1865. Canal opened May 1.	1864. Canal opened April 30.	1863. Canal opened May 1.
Flour, barrels	490,600	670,000	848,600
Wheat, bushels	5,733,700	11,572,400	12,197,300
Corn, bushels	10,493,900	7,435,600	18,313,100

This falling off, it may be well to repeat, is in the main owing to the absence of margin as between the prices current in New York and Mark Lane. The utter absence of a margin rendered the New York capitalists and trade indifferent to extensive operations in grain, and the supplies of the Western States have therefore been, and are still, seeking a market in the impoverished Southern States. Those States are insufficiently provided with the necessaries of life, and will continue so until next harvest.

Throughout the war the American grain trade has been less seriously disturbed than might *à priori* have been imagined. The market has had an upward tendency, and higher prices have been established, and when these statements are made there is hardly another word to say. Four years of costly war failed to bring about confusion ; failed to unsettle anything connected with the sowing, the planting, the gathering, or the selling of grain. The prices in New York on the 3rd January of each year have been as follows :—

PRICES OF GRAIN IN NEW YORK.

	1860.	1861.	1862.	1863.	1864.	1865.
Flour, State, barrels	\$4.30	\$5.35	\$5.50	\$6.05	\$7.00	\$10.00
— Genesee	7.50	7.50	7.50	8.75	11.00	12.00
Rye flour	4.00	4.00	3.87½	5.45	6.65	9.00
Jersey corn meal	3.90	3.15	3.00	4.00	5.65	8.80
Wheat, Genesee, bush.	1.50	1.45	1.50	1.60	1.80	2.60
— Michigan	1.50	1.45	1.50	1.53	1.83	2.70
— Ohio	1.45	1.45	1.48	1.53	1.83	2.60

1340 *The American Grain Trade throughout the War.*

	1860.	1861.	1862.	1863.	1864.	1865
— Southern	1.45	1.45	1.52	—	—	2.75
— Western	1.30	1.38	1.42	1.48	1.57	2.45
— Chicago	—	1.18	1.30	1.33	1.48	2.22
Rye, Northern	.92	.75	.83	.96	1.30	1.75
Oats, State	.46½	.37	.42	.71	.93	1.06
Corn, old Western	.90	.72	.64	.82	1.30	1.90
— new Southern	.80	.72½	.68	.86	—	—

In round numbers prices doubled ; a note could buy the half of what it bought before. And this, instead of being surprising, is itself a marvel, for according to the report of Mr. Fenenden, the first successor of Mr. Chase at the United States Treasury, the Treasury expenditure exceeded the revenue by the following sums ; exceeded it in the form of greenbacks, legal tenders, certificates of indebtedness, &c. :—

EXCESS OF TREASURY ISSUES.

1862 ...	...	...	...	\$422,802,068
1863 ...	...	...	...	603,310,229
1864 ...	...	...	...	604,601,370
1865 ...	...	...	...	904,278,608
				<u>\$2,534,999,265</u>

An emission of Treasury obligations nominally equal to the gigantic sum of £507,000,000, effected no more than an advance, in State flour, from \$4.30 to \$10.00, and in Genesee wheat, from \$1.50 to \$2.60. The increase seems incredible ; that is in the light of past experience in such matters. We were led to think, that in something like the proportion that a circulating medium became redundant, and that gold appreciated, the prices of commodities would advance. But in the United States we have examples of speculation in gold, and of indifference to the amount of notes issued by the banks or the Treasury. Gold, notes, and commodities were in the main acted on and influenced by separate causes ; and those causes were chiefly whimsical “ quersings ” which sometimes painted in the dullest colours the course of events, the conduct of the Government, and the ultimate action of the “ people ” at the polling booths on the question of repudiation. And what has happened in the United States is precisely what would happen in this or any other intelligent country at the present day. Who, for example, has not wondered at the equanimity with which sudden and extraordinary advances in the Bank rate are borne ? People now exercise their minds ; in times gone by they knew nothing of sensations, and fled like sheep when the cry of wolf was raised. And the change is a wholesome and

hopeful one: for now-a-days a free people might venture on almost any sacrifice in a popular cause, without coming to serious injury by so doing. For the same reason a bad and unpopular cause could not now possibly succeed; because no credit and no reserve of specie would counteract and make head against the opprobrium with which it must be assailed. The lesson, therefore, of the American war, as exemplified by the grain trade, is, that the world is not exactly as it was when the Bank of England was restrained by Act of Parliament from paying its notes in specie. Some fifty years of peace, good government, and education have modified, if not wholly invalidated, some of the most orthodox of the money theories. The age has become highly practical.

BANKING AND FINANCIAL ANECDOTES.

No. XIII.

THE LONDON BANKER AND THE IRISH MOUNTAIN.

THE flourishing seaport of Sligo, on the north western coast of Ireland, is celebrated for the boldness and beauty of its scenery; a short distance from the town there is a perpendicular or slightly sloping mountain called Ben Bulbin, better known in Ireland than in England. About half a century ago a trader in Sligo, more remarkable for enterprise than integrity, having exhausted all the legitimate and ordinary means of raising money, conceived the idea of floating fictitious acceptances, and with this object he forwarded to his English banker, for discount, several bills of exchange drawn on and accepted by Ben Bulbin and Co. The London banker not being acquainted with the acceptors, wrote to his Irish correspondent for his confidential opinion of the firm. The latter, well known for his love of humour, and treating the inquiry as a joke, replied as follows: "The parties inquired about are long resident in this locality, and are *looked up* to as the most extensive land holders in this district, possessing within their own limits the varied resources of rich pasture, turbary, and inexhaustible supply of mineral wealth and an unrivalled water power. In character, Ben, the principal of the partnership, is what we call here a stiff-necked sort of fellow, and I have heard it said that if his cap were on, he would not take it off to Royalty. Although he is constantly imbibing mountain dew, a term often used to express illicit spirits, his steadiness is undoubted; and as to his stability, it

cannot be questioned—as in fact he is the principal of the chain of mountains which run through this and the adjoining counties.”

This description, though meant as a joke, was actually considered by the London banker as a *bond fide* communication ; and though the bills were actually drawn on Ben Bulben and Co., a mountain range near Sligo, they were actually discounted ; and the manager of the bank, when the fraud was discovered, was compelled to resign.

A PECK OF SOVEREIGNS.

AT Wisbeach, in Cambridgeshire, the bank of Messrs. Gurney and Co. for a long series of years was generally known by the name of the local partner, as “Peckover’s bank.” During the severe panic of 1825 one of the partners is said to have had recourse to the following expedient for maintaining the credit of the firm. He caused a peck measure to be placed in the bank window, and heaping up sovereigns on a false bottom, fixed near the mouth of the measure, announced to the satisfaction of admiring customers, by means of a placard underneath, that the bank had “enough to pay and a peck—over.”

ON THE BANK PROSECUTIONS FOR FORGERY.

MANY of the forged notes of the Bank of England were at one time so well executed, that the authorities of the Bank themselves were at times unable to detect a forged from a genuine note, consequently many of the former were paid. This fact having been disclosed in the progress of the case referred to in a former number, numerous petitions were presented to Parliament against the punishment of death, but no circumstance tended more to cause the suppression of the one-pound notes than the bold stand made by the late Stephen Curtis, Esq., who was one of the jury on an occasion when a prisoner was on his trial for forging bank notes and acquitted. The judge having asked for an explanation of a verdict of acquittal when the evidence against the prisoner was so clear, Mr. Curtis publicly addressed the judge, saying, “We do not believe the evidence given by the detective, who, it appears, was employed in entrapping the unfortunate prisoner to commit the offence, he and others arranging to receive ten pounds each for every person convicted by their evidence. We consider such an arrangement highly objectionable.” And he added the following personal remarks,—“My Lord, as the Bank authorities are often unable to detect forged notes, I am determined never to bring in a verdict of guilty against any one who may be put on his trial for such

an offence, and, acting on this determination, I have resolved, let the consequences be what they may, to acquit the prisoner." Soon after this public exhibition against the law, as it then stood, it was happily altered, transportation being substituted for death for forging bank notes.

THE OLD LADY OF THREADNEEDLE STREET.

MANY people are much puzzled to know why the Bank of England is commonly called "The Old Lady of Threadneedle Street;" it arose from the circulation of a caricature by the celebrated Gilray, dated May 22nd, 1797, entitled "Political Ravishment, or the Old Lady in Threadneedle Street in danger." In the caricature an old lady is represented seated on a box, which is supposed to contain the money of the Bank so safely secured that it is not to be touched.

The stoppage of payment in specie by the Bank of England in the month of February in the same year, and Pitt's measure for the issue of one-pound notes, gave rise to the satire.

A PLEASING TRAIT IN THE CHARACTER OF THE LATE MR. COUTTS,
THE BANKER.

WHEN Mr. Coutts was a single man and known to be very wealthy he was an object of attraction to more than one noble family having portionless daughters, in the hope that an alliance with the rich banker would be the means of relieving them from their pecuniary necessities, but these aristocratic matrimonial speculators were all deceived and confounded by the choice Mr. Coutts made of a wife in the person of Elizabeth Starkey, a superior domestic in his brother's service, with whom he lived many years in the enjoyment of every domestic comfort. His family consisted of three daughters, who respectively married the Marquis of Bute, the Earl of Guildford, and Sir Francis Burdett. Few men ever enjoyed in an equal degree with Mr. Coutts the confidence and esteem of his friends, or obtained, unaided by rash or political power, so much consideration and influence in society. His conduct to the clerks in the bank was the constant theme of admiration. Take the following instance. It was a custom with Mr. Coutts at every return of Christmas to have his clerks in his private room, one at a time, when he would address them in the kindest manner, would inquire after their health and that of their families, would then say, "let me see," then turning to his memoran-

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dum of the preceding Christmas, he would say, "Oh, Mr. —, I find your family consisted of your wife and four children, have you during the past year had any addition to your family?" If the answer was in the negative, he would say, "Well, sir, here is a cheque for £60, £10 for yourself, £10 for your wife, and £10 for each of your children." If the clerk was to say, Yes, sir, I have had a son or daughter, as the case might be, since last Christmas, he would then give him an additional £10, and this he did on each return of Christmas. Of course the gratuities were in addition to their ordinary salaries, which were on a liberal scale. In the case of a clerk who was unmarried he would present him with a cheque for £10, and this continued until his last illness prevented his attendance at the banking house. An example well worthy of imitation by all bankers, for it is impossible to estimate too highly the value and importance of the gentlemen whose daily business it is to carry out the immense complicated transactions of our banking institutions throughout the country. If we view them as a body of men daily and hourly unreservedly intrusted with immense sums of money, we are led to place a high value on the integrity and fidelity with which their several duties are performed.

DANIEL O'CONNELL AND THE BANK TELLER.

THE late Daniel O'Connell was proverbial for his pungent remarks both in the House of Commons and in the law courts of Ireland. On one occasion he was counsel for a trader who was defendant in an action brought by one of the Irish banks. When cross-examining one of the witnesses for the bank, Mr. O'Connell is said to have asked the following question:—"What position do you occupy in this establishment?" "I am a teller," replied the clerk. "Now, on your oath," said Mr. O'Connell, "if you were made cashier, would you become 'a runner'?"

FORGERY BY THE DIRECTORS OF A FINANCE CORPORATION.

At the Bombay Criminal Sessions, before the Hon. Mr. Justice Anstey, on the 29th September, Dyal Jayraz, Khuttow Ludha, and Cullianjee Ludha, were arraigned for forgery, abetment of forgery, and abetment of criminal breach of trust. They pleaded not guilty.

Mr. McCulloch and Mr. Green conducted the prosecution; Messrs. Howard and O'Leary defended the first prisoner, Messrs. Mayhew and Cooper the second, and Messrs. Bayley and Hayllar the third.

The facts of the case were as follows :—In November, 1864, an association was formed under the designation of “The Commercial Finance and Stock Exchange Corporation.” Six names appeared in the list of directors, amongst which were those of the first and second prisoners; the third prisoner was not at that time associated with the corporation, but became a director subsequently. They did no business till March, 1865, and the first minute on the records of the association gave notice that they were to commence business in that month. During the interval several directors entered into an agreement to speculate in shares; especially in shares of their own company. By that agreement the first and second prisoners were to advance two lacs of rupees for speculation in shares. When the calls on the shares of the corporation were first paid, the association opened an account in the Central Bank; and the first and second prisoners, as directors, were authorised to draw from the Central Bank, on account of “Commercial Finance and Stock Exchange Corporation.” In March Mr. Taylor, the chairman, retired from the directorate, and up to the moment of his retirement, not one transaction of any kind whatsoever was done on behalf of the corporation. Yet, notwithstanding that there were no transactions, the six directors had been trading, and the loss of Rs. 3,39,442 was the final result of their speculations. Having exhausted the two lacs of rupees, they wanted more funds, and obtained it from the funds of the corporation by drawing Rs. 2,29,614, from the Central Bank, to make up their losses while speculating in shares. No business was done till March, and after a few more entries on the 11th of March, that set of entries was neglected, and the directors commenced a new account in December. These new entries were made at the request of the first and second prisoners, and another director named Toolseydass Dewjee; but Toolseydass having been made acquainted of his danger retired from the company, and furnished information which led to the prosecution of the prisoners. Nothing was known till the 10th of July, when it appeared from the accounts that a sum of Rs. 3,39,000 was lost to the corporation, in addition to possessing some 4,000 of their own shares, which were worthless. The conspiracy of the speculators involved the directors, and the second prisoner concocted a scheme which led to the present prosecution. He got some blank forms of agreement for the purchase of shares, then took them to the chairman, and after having obtained his signature to them, he took six of those blank agreements to a broker and got him to fill in, on the 18th July, the names of certain alleged vendors, the dates, and number of shares. The prisoner furnished the names which the broker inserted; and the third prisoner was in the room when the documents were forged. The agreements were in that form applied to the purchase of shares of the corporation, and the manager was instructed to enter them. It was on the 18th July when the manager was instructed to enter the purchases of February. The next thing done was the compromise of that purchase by the first prisoner, and to the second and third prisoners were granted a general power of attorney for the corporation. Thus Dyal, the first prisoner, obtained the sum of Rs. 2,45,300 as the net result of the transaction.

These facts having been proved, by evidence,

Mr. Howard, in addressing the jury on behalf of the first prisoner Dyal Jayraz, submitted that the case for the prosecution was not proved. The charge extended over about fifty counts, which his lordship had properly termed “oppressive;” and one could not help entertaining a doubt, where it took so much time and so many words to describe the charge, whether it was one on which they could convict the prisoner. His learned friend, the leading counsel for the prosecution, said the

prisoners were prominent and respectable persons, and it was no doubt a matter of interest that they were so. He did not for one moment ask them to give the prisoners any more respect on that account, but, on the other hand, desired that they would give them no less. The question, they were told by the counsel for the prosecution, was whether certain documents were executed in February, when they bore date, or in July; and he (Mr. Howard) should call evidence to prove that they were executed in February and not in July. And it was a matter of remark that the man who was said to have written these documents, Luckmedass Dharsey, had not been called by the prosecution. They had not called the very mehta who wrote the agreements: and why, because when they examined him before Mr. Banton, the chief magistrate, he flatly contradicted the case of the prosecution, and said the documents were written in February. His learned friend had shown a very good acquaintance with criminal proceedings, and he knew the importance of having a reply, and that he could not have a reply unless the defendants called evidence; and that was the reason that he had thrown upon them the obligation which—with deference to his lordship—according to the understanding of the profession, always devolves upon the prosecution of calling all the witnesses who were examined when the charge was first brought. Mr. Howard then proceeded to criticise most severely the conduct of Toolseydass Dewjee, who, he said, having made his exit from the scene as a scoundrel, appeared again as an informer. And that was the man upon whose evidence, if it was to be believed, the prisoners might be sentenced to transportation for life. Supposing what he alleged to be true, he himself was worse than the prisoners; for he had committed two crimes instead of one: the villain and the traitor was surely worse than the simple villain. He called upon the jury to discredit the evidence of one who came there covered with infamy, and who desired to ruin those men who—according to his own statement—had been the partners of his guilt. The learned counsel then contended that the evidence of Toolseydass was not only to be discredited on account of his own infamy, but by the other evidence for the prosecution; and in support of this assertion he quoted the evidence of Manockjee Hormasjee and of Kursondass Kutohra, the broker. How unlikely it was that any broker in Bombay should put his name to bank agreements, and then return them to the person who gave him them. As for Kursondass, his opinion was that he was an accomplice in the fraud, and therefore he could not strengthen the case for the prosecution at all. And when they mentioned Toolseydass and Kursondass, all the evidence had been mentioned that touched the prisoners; the others did nothing but fill up the story. Mr. Howard went on to say that the suggestion he had to make was, that Dinshaw Ardesseer Daver and Toolsedass Dewjee were the original contrivers of the fraud, and that Dyal Jayraz, in ordering the entry to be made in the minutes, merely did so at their direction. They would put in the evidence that was taken before the magistrate, and he thought they would be much struck with the development of the case since that inquiry. It was wonderful how Toolseydass's story had been touched up since that time, and its weak points improved. Considering the great number of shares the prisoners had in the company, their motive for cheating the company—which was, in fact, cheating themselves—was by no means so clear as that of the prosecutor, who had not nearly so many shares. It would be sworn that the contracts were not written by the orders of Dyal Jaraz, but by the orders of Toolseydass. That there was attempt at fraud, he was perfectly certain; only he differed from the prosecution as to the

persons on whom the fraud ought to be fixed. There was one who, by his own confession, was a criminal, but whether the persons whom he accused were connected with the fraud was another matter. Mr. Howard concluded by saying he would put in the depositions made before the magistrate, and would read the evidence of Luckmedass Dharsey, which he was proceeding to do when Mr. McCulloch interrupted him, objecting to his doing so on the ground he had already stated.

Mr. Mayhew then addressed the jury on behalf of the second prisoner, Khuttow Luddha, and began by stating his theory of the motives which had brought this prosecution about. He frankly admitted at starting that those six documents were intended to be used by the man whose name stood at the foot of them and by the prosecutor himself, as against the company, and for their own advantage. That, he thought, was the irresistible inference from the facts which the prosecutor himself had deposed with reference to Dinshaw Ardaseer Daver. Those two, with Kursondass Kutchra, they found working together, from the commencement of the company, as the secretary himself said, in constant conversation with him with reference to the affairs of the company. Looking at the state of affairs both then and afterwards, they would not find it an unreasonable supposition that the contracts were in reality put in writing by Dinshaw and Kursondass, with the knowledge of Toolseydass, in the month of February and quietly kept back for their own purposes until the time came at which they could make their claim against the company. He endeavoured to show, too, that it was also quite reasonable to suppose that the prisoners at the bar (Khuttow and Cullianjee) acting on the ready trust which they had all along had in Dinshaw as the man of business—merely did their part at the dictation of Dinshaw. And it was possible, that, pressed afterwards by questions from the prisoners, Dinshaw and Toolseydass felt obliged to turn about and make this charge against them. The real story the jury could never get to the bottom of, but they must be left to sift the matter in the dark, and perhaps they would see reasons to come to those conclusions. Mr. Mayhew pointed out that Toolsedass had proved himself to be unworthy of credit by practising an imposition on the jury, in saying that he did not understand English, when it was proved in the evidence that he could both speak and read English. He concluded by expressing the opinion that the evidence must irresistibly lead the jury to the conclusion—albeit they must be convinced there was a fraud, yet that it was not a fraud committed by the prisoners, but endeavoured to be palmed off upon them, the real actors seeking to make them the victims.

Mr. Bayley next spoke on behalf of Cullianjee Ludha, the third prisoner, and began by impressing upon the jury that his case differed in the most material points from that of the other two prisoners. Cullianjee was not an original partner in the share speculation, and was not, as Toolseydass had said, even a sub-partner with his brother, neither could it be said that he was indebted a single pice to the corporation. Mr. Robert Taylor—that model chairman of an association, a gentleman who came out at Rs. 200 for Messrs. Watson and Company—said he knew nothing whatever of Cullianjee. Not only was Cullianjee not a sub-partner with his brother in the slightest degree, but it was proved, even from the evidence of Toolseydass, that he was separate from his brother in food, worship, and estate—and that proved a great deal. All these things showed that there was a marked distinction between his case and that of the other two prisoners. The theory of the prosecution was this, that the fraud and the conspiracy were concocted for the purpose of enabling parties who had no money of their own, to meet their engagements and perhaps make a little profit; but

this theory could not apply to Cullianjee, who was a man of wealth and had not for a single moment owed a pice to the company. Therefore, he (the learned counsel) asked them to look upon him when he came upon the stage on the 18th July—when he first acted as a director, having been appointed only three days before—as one who came with clean hands. He then stated that Cullianjee was and is a judgment creditor of the prosecutor Toolseydass. He lent him Rs. 20,000 early in March of the present year, and sued him for payment, and on the 26th June decree for payment was obtained with an order for immediate execution. In consequence of some intercession, execution was delayed, and Cullianjee was persuaded by Toolseydass to lend him Rs. 11,000, a mortgage being executed in his favour upon some property belonging to Toolseydass on the 8th July. This was only seven days before he became a director, and Toolseydass in executing this mortgage in his favour must—if what he averred was true—have known that he was at that time engaged in a fraudulent conspiracy. Such conduct it was very difficult to understand. Then, coming to the appointment of two directors on the 15th July, he could not see how it was necessary for Dinshaw or Toolseydass, or any other person carrying on this fraud, that the directors should be appointed. Again, it was almost impossible to believe that Kursondass Kutchra came to the meeting on the 15th July merely to summon Toolseydass to his father's sickbed. Kursondass, it was said, filled up the blanks for those six agreements, at whose dictation? At Cullianjee's? No. And thus they saw again how distinct his case was from that of the others. It was Dyal and Kuttow, and those two alone, who gave instructions to Kursondass to fill up these blanks. Cullianjee was charged with forgery; but a man could not be charged with forgery unless he had done something. The learned counsel having referred to points indicating as probable that Cullianjee knew nothing at all about the transactions in question before the 18th July, proceeded to show that probably he merely signed the minute in obedience to the direction of his co-directors; and expressed his belief that the jury would see that he could not in the slightest degree be implicated with any body else. He could have no motive whatever either being indebted to the company nor to anybody else—for entering into any wicked conspiracy or fraud, such as that charged by the prosecution. He was a gentlemanly man, of good standing, and of high social position among his neighbours and his fellows. Monetary motives he could have none, for he had plenty of money of his own. To screen his brother it could not have been. To aid the other in perpetrating the crime it could not have been; for they could have done it without him. Prosecutor had brought him into the case through spite or revenge, or on account of the heavy debt under which he lay to him.

About eight witnesses were examined on behalf of the prisoners; some of whom gave their evidence in a most unsatisfactory manner. One of the justices of the peace, Mr. Luckmidass Khimjee, was severely reprimanded by the learned judge for having failed to inform the police about the plot which was made against the third prisoner, and of which he was cognizant.

The last witness examined was R. B. Barton, Esq., acting senior magistrate of police, who stated, that he committed the case for trial without taking any evidence for the defence. The prisoners were represented by their counsel. Neither Luckmidass Khimjee, nor anybody else, disclosed to him any plot against the third prisoner. Luckmidass Dhareey was treated by the prosecution as a hostile witness when at the police office.

Mr. Maculloch, the leading counsel for the prosecution, then replied at considerable length. He contended that the evidence for the prisoners had

totally failed to support the case for the defence; and stated that the reason why he did not call Luckmidass Dharsay was that he did not believe a word of his evidence, and, consequently, could not ask the jury to believe it. All the evidence as to the filling up of the blank forms had been brought forward by the prosecution; and it did not matter when the blank forms were prepared. Referring to the question of motive on the part of Toolseydass, he here remarked that it was of no consequence what his motive was. And why did the counsel for the defence, after having advanced as part of their case that the contracts were fraudulent and fictitious agreements, bring forward evidence to prove that they were *bona fide* agreements? The learned counsel then called the attention of the jury to the case for the prosecution as unaffected by the evidence for the defence, and dwelt upon the different points at some length.

His lordship afterwards proceeded to sum up the evidence, and in doing so read the depositions of the different witnesses *in extenso*; interspersing them with frequent comments and explanations of his own. He first went over the evidence of Mr. Weatherhead, Manockjee Hornusjee, and Mr. Robert Taylor, and afterwards observed that the jury would see, that if any of the transactions in question had occurred before the 23rd March, they must have been done underhand or fraudulently, and that was one great step gained in the discovery of the truth. The persons who ought to have known of them were kept in the dark. From the evidence he had read, they saw the position of affairs down to a period later than that when those six contracts were purported to have been written. That date was the 28th February, and they would see that down to some time after that the corporation had not commenced business. The chairman was ignorant of its having commenced business, the first secretary and his successor were also ignorant; so if they believed that, in spite of all this, the prisoners and their associates had been purchasing shares at that time unknown to those whose duty it was to control them, that alone was a very reprehensible breach of trust and was a point gained towards the elucidation of what was to follow. After referring to various remarks in the speeches of the counsel for the defence, his lordship said he must inform the jury that accuracy of dates was of no consequence whatever in proving an allegation of crime. A man might be indicted for a crime of murder committed on the 1st of December, though it was perfectly well supported in evidence that it was done on the 1st of November. Therefore, if they thought, though he could not see how they could come to that opinion, that the fabrication of those agreements was in February and not in July, their verdict must still be the same—a verdict of guilty—if they were kept back for the purposes for which they were alleged to have been used. His lordship then proceeded to read the evidence consecutively, omitting, of course, what he had read already. In going through the deposition of Toolseydass Dewjee, his lordship remarked that amongst all the minutes of the corporation there was only one minute referring to particulars of agreements made in the purchase of shares by the corporation, and that solitary exception was that very minute of the 18th July. Of this transaction there was no previous entry; there was no allusion to it to be found in any document whatever, or in any subsequent entry. The only entry referring to it was the entry which was impeached as fraudulent, and which formed the subject of the last five counts in the indictment. Further on, his lordship alluded to the remarks by counsel in regard to Luckmidass Dharsey, observing to the jury that they must understand, that, when a prisoner was brought before a magistrate he was not upon his trial. It was merely for investigation, and it was the duty of all persons concerned, who

thought that they could bring witnesses, to bring them, in order that the facts might be investigated. Accordingly, this man, who was said to have written these forms was very properly sent for by Mr. Barton, at the instance of Mr. Cleveland, the government solicitor, but he was treated from first to last as a hostile witness. The learned counsel who prosecuted for the crown on the present occasion, had one duty to perform; the government solicitor who made the investigation—for it was no more—before Mr. Barton, had quite another duty; and it was as right for Mr. Cleveland to bring Luckmidass before the magistrate to see what he would say, as it would have been wrong for the learned counsel for the prosecution to have done so in that court. Touching the question as to whose mehtas it was who wrote the agreements, his lordship said it was for the jury to consider whether the man whose mehtas they were gave them the instruction, or the man whose mehtas they were not. If they believed Luckmidass it was Dyal's mehtas who wrote them out, not by Dyal's direction, but by that of Toolseydass; and more, that that was not the first time this was done. And yet Dyal's name was to the minute of the 18th July which distinctly referred to these very agreements. He left it to the jury whether they should believe a syllable of this. After reading Toolseydass's evidence, his lordship said that if they believed it as it stood, as the evidence of an accomplice, they would return but one verdict, and that was a verdict of guilty on every one of the counts, because there was forgery, using forged documents, conspiracy and criminal breach of trust. All these crimes had been committed if they believed that evidence. Forgery, he informed them, consisted as much in the falsification of documents, in other respects genuine, as in the fabrication of an entire document. Thus, if for fraudulent purposes a man falsified a paper in his own handwriting to the injury of another, that was forgery, though it was his own signature: but it was much more so if it was the signature of some one else. So that inasmuch as these papers—even if signed, as he supposed they were, by the persons whose names they bore—contained false statements, false names, false rates, false numbers of shares, and false transactions, put in for the very purpose of injuring the corporation, and benefitting the conspirators at the expense of the corporation, it was as much a forgery as if Dinshaw Ardesser Davur was the only injured man. His lordship, referring to some remarks which had fallen from the counsel for the defence to the effect that Dinshaw had probably got a hint from Toolseydass to make his escape, directed the attention of the jury to the evidence of constable Jackson, to see whether it was proper to cast such an aspersion on Toolseydass who had enough aspersion to bear already. His lordship remarked that Manockjee Hormusjee had cleared himself in his evidence of all connection with this disgraceful fraud; and he pointed out that his evidence and that of Toolseydass fully agreed, and had the jury any reason for doubting the accuracy of either? It was for them to say if the witnesses who were called to contradict Toolseydass had contradicted him in any single particular. Before concluding, his lordship remarked that the doctrine had been broached that the man who turned traitor to those who trusted him was a double traitor. That was a monstrous doctrine. It was the duty of the thief to betray his accomplices. It was either an innocent or a laudable act, and he was no good citizen who taught to the contrary.

The jury retired for about twenty minutes, and returned with a verdict of "guilty" against the prisoners on all counts of the indictment, but recommended Gullianjee Lodha to mercy.

His lordship sentenced Dyal Jayras and Khuttoo Lodha to transporta-

tion for life; and confiscated their movable and immovable property to the crown. Cullianjee Ludha, having been recommended to mercy, was sentenced to four years' rigorous imprisonment.

Legal Miscellany.

THE BIRMINGHAM PENNY BANK.

MR. COMMISSIONER SANDERS delivered judgment at the Birmingham Bankruptcy Court on the 15th November, in the matter of the late Birmingham Penny Bank.

He said the application before the court was one on the part of James L. Johnson, Benjamin Hawkes, George Barlow, and George Wallington, for their orders of discharge, under the 110th section of the Bankruptcy Act of 1861. These four persons were, in 1852, directors, together with several other individuals, in a concern or speculation called the Birmingham Penny Bank. The other individuals were Henry Suckling, George B. Haynes, James Grainger, J. Blake, James Macbride, and William Chorley. Henry Suckling had quitted Birmingham; George B. Haynes had become bankrupt, as likewise had James Grainger; no particulars appeared as to Blake, and Wm. Chorley and James Macbride retired in 1858. Other persons of greater note were also connected with the penny bank. Mr. Scholefield, one of the members for the borough, permitted himself to be advertised as president; Mr. William Chance, jun., Mr. T. J. Winfield, Mr. Goodrick, and Mr. Baldwin lent their names, and attended more or less to the affairs of this so-called bank. As to how this bank originated, how its affairs were conducted, what was its capital, and what were the status and means of the directors—the bankrupt, George Barlow, stated in his evidence: "A few persons met together and agreed to form the bank. I think it was Chorley who asked me." This witness and director was a journeyman coachpainter. He confessed that, if he was solvent, he had not £20 over. Of the other directors two were hairdressers, and had since become toy dealers, one was a tailor, and there was certainly no reason to believe that the rest were of higher position or more ample means. With these men as directors the bank commenced, and it commenced avowedly without any capital whatever. Delusive and hypocritical advertisements, professing great interest in the welfare of the poor, attracted many depositors to the bank, and a large sum was drawn from the pockets of the thrifty and deserving poor, who were desirous of laying something up for a day of distress or for their surviving families. The money received was soon applied by the directors in advancing loans to themselves, in paying themselves salaries, and in establishing new and speculative companies, of which they were to be directors. No balance-sheet of the general affairs of the bank was made out for many years. No audits were made except occasionally by the directors themselves, and the manager took what money he pleased for current expenses, without control or investigation by the directors. Under these circumstances it was not to be wondered at that the concern closed in bankruptcy, nor that the loss sustained by the poor and deceived depositors was, and eventually would be, so great. That something was wrong either in the management or constitution of the bank—probably in both—must soon have become matter of suspicion to Mr. Scholefield, M.P., for the bank being started in 1850, he resigned his post as president in

1852, having first consulted an accountant, who reported that the bank was not safe. There could be no doubt that Mr. Scholefield was well advised in resigning. But one would have hoped that the benevolence which prompted him to accept the office for the benefit of the poor would have led him to forewarn them of their danger by publicly announcing his resignation. In this he failed, and the impression that he was still president continued to give effect to the delusions practised upon the public. In like manner the vice-president and trustees one by one resigned, and in like manner they left the public in ignorance of their having done so. Every circumstance, therefore, connected with this bank was matter of indignation or regret—indignation for the gross frauds practised, and regret at the indifference and want of pity shown by the president and officers of the bank to the saving poor, who suspected nothing wrong. But the case had been taken out of court by the assignees under the 110th section of the act of 1861, there being no hope in their minds of enforcing a remedy against any other parties to the fraud than the present bankrupts; and they did not desire the punishment of the latter, being content, in consequence of an arrangement made with them, to accept their accounts as satisfactory. If it were really true that no remedy could be found against the other parties, or if the remedy when found, would be too expensive to be attempted, he could only say that it was a matter grievously to be regretted. But that court had no further control or discretion in the administration of the assets of the bankrupts. With respect to the conduct of the bankrupts, a late decision of the Lord Chancellor Cranworth showed that the court had power to inquire into the question of conduct before granting the discharge applied for under the 110th section. The court might well exercise this jurisdiction when called upon to discharge the present bankrupts. But he could not help feeling that it would not be just to punish them when other parties in this bank, whose offences were equally grievous, escaped punishment. The bankrupts should, therefore, be discharged.

The liabilities of the late Birmingham Penny Bank were £9,448. The assets were between £3,000 and £4,000.

THE LEEDS BANKING COMPANY.—FRANGE'S CLAIM.

THIS case was decided in the Court of Chancery on the 14th November, by Vice-Chancellor Kindersley.

He said this was an adjourned summons arising out of a claim under the winding-up of the Leeds Banking Company by Messrs. Prange to be admitted as a creditor in respect of two bills of exchange, one for £500 and the other for £564, and of which they are the holders, and of which the banking company were the endorsers. The claim was resisted by the official liquidator on the ground that sufficient notice was not given of the dishonour of the bills, while on the part of Messrs. Prange it was contended that what took place was a sufficient notice under the circumstances. The first bill was for £564 at three months, dated the 4th of August, 1864, drawn by Watts and Co. upon Early and Smith. It was endorsed by several persons, and among others by the Leeds Banking Company, in these words, "In need at Smith, Payne, and Smith's, London," who were the London agents of the Leeds Banking Company. When the bill fell due it was presented to the London and County Bank, which was the bank referred to by the acceptor, and dishonoured. On the same day it was

presented at Messrs. Smith, Payne, and Smith's, and, as the Leeds Banking Company was then under winding-up, of course it was refused payment there also. It was continued on the part of Messrs. Prange that the presentation of the bill to Messrs. Smith, Payne, and Smith was a sufficient notification to them, and therefore to the Leeds Banking Company, that the bill had been dishonoured. There was no other notification. It was said that where a bill was refused payment at the bank indicated by the acceptor it was not necessary for the holder of the bill to give notice to the acceptor that the bank he had indicated had not paid the bill, and that there was an analogy between this case and that. But in this case the analogy failed. Then came the question whether Messrs. Smith, Payne, and Smith were agents of the acceptor. The endorsement was "in need," meaning in case of need, and that if the holder had occasion to apply to the endorser for payment he might apply to Smith, Payne, and Smith. The endorser merely pointed out a place to which the holder might refer for payment if he liked. But Smith, Payne and Smith were agents merely for the purpose of obtaining payment—not for the purpose of receiving notice of dishonour; therefore, it appeared to him impossible to hold—because the bill was presented to Smith, Payne, and Smith, and payment was refused by them, that there was implied notice to the acceptor that the bill had been dishonoured. In other words, Smith, Payne and Smith were not by the words of the endorsement constituted the agents of the acceptor so as to make refusal of payment by those bankers notice of dishonour to the acceptor. Another contention was that the presentation of the bill to Smith, Payne and Smith, was an implied notice to them that the bank indicated by the acceptor had refused payment; but on that point also he thought the contention failed. On these grounds it appeared to him that what had taken place did not amount to a sufficient notification to the acceptor of the dishonour of the bill. With regard to the second bill there was actual notice, but the question was whether the notice was given in sufficient time. The bill fell due on the 13th, but that being Sunday, it was presented to the London and County Bank on the 12th, and refused payment by them. On the 14th it was presented to Messrs. Smith, Payne and Smith's, and also refused payment by them. On the same day Messrs. Pranges' agents wrote to them informing them of the dishonour. They received the information on the 15th, and wrote to the official liquidator on the 16th, who received the letter in due course on the 17th. It was alleged that a day might be taken for each step in the transaction. It really came to this, whether a day should be taken up in communication from the agent to the principal in addition to the day allowed for communicating with the acceptor. It appeared to him that no such day was allowed, and the consequence was that there was a failure of one day in giving notice to the official liquidator, and so the claim could not be allowed. It was a proper case to bring before the court, and the official liquidator must have his costs out of the assets of the company.

THE BANK OF GIBRALTAR AND MALTA WINDING UP.

THIS case was argued in the Court of Chancery, before the Lords Justices of Appeal, on the 17th November.

It was an appeal from a decision of the Master of the Rolls upon a petition by four of the contributors to the liabilities of the above company, to have the company's affairs wound up by a compulsory order from the court, or, at any rate, under the supervision of the court. The applica-

tion was based upon the 138th and 165th sections of the 25th and 26th of Victoria, cap. 89, which gives the court power to call the public liquidators of a public company to account when exercising their powers under a voluntary winding-up order, as in the present case. The object of the application appeared to be to impugn the liquidators' conduct in reference to a sum of about £1,700 allowed in respect of the original promotion of the company, and expenses connected therewith. The Master of the Rolls declined to grant the relief sought, on the ground that the petitioners' remedy for the alleged grievance complained of was by bill for an account in the regular way.

Mr. Jessel and Mr. Holmes were for the appeal; Mr. Baggallay, Mr. Southgate, Mr. John Pearson, and Mr. Fischer for the respondents.

Lord Justice Turner, after briefly alluding to the facts, said that the appellants were a minority of the entire body of shareholders, that the company was nearly wound up, and that little or nothing remained to be done but to distribute the funds in hand. As it appeared to him, there were three questions to consider—first, whether the company ought to be wound up compulsorily by the court; secondly, whether it ought to be wound up under the supervision of the court; and, thirdly, whether any order ought to be made upon that part of the prayer which was directed especially against the acts and alleged breaches of trust of the officers and directors. The appellants did not desire a compulsory order if they could obtain a supervisory order, and the question was whether they were entitled to such an order. Upon that point, therefore, he thought that the 147th section left it absolutely to the discretion of the court whether such an order should be made or not; and nowhere, as far as he could find in the Act, was there any definition of the circumstances under which the legislature considered such an order proper. In this instance the case rested upon the alleged breaches of trust, but he thought that these might be reached, if not by the 165th, at all events by the 138th section, and therefore these charges afforded no ground for such an order. The legislature obviously intended that the wishes of the majority of the shareholders should be regarded, and the evidence showed no such wish on the part of the majority, but rather the contrary. As to a compulsory winding up, he thought also that it was properly dismissed, because, among other reasons, there had been a resolution of the company for a voluntary winding up, and he must hold that the appellants, who were themselves contributories, were bound by that resolution. As to the charges against the directors, he agreed with the Master of the Rolls that they would be more effectually tried by bill than by the summary jurisdiction of the court, and if the appellants intended to prosecute these charges they should institute a suit. The court should, however, grant them every facility, and should therefore allow them to use the name of the company as plaintiffs upon their indemnifying them against the costs. But as the Master of the Rolls had expressed his willingness to make an order to this effect, which the appellants did not accept, this variation of the order would make no difference as to the costs of the appeal, which must be paid by Mr. Jessel's clients.

Lord Justice Knight Bruce said that, with great deference to the Master of the Rolls, he agreed with his learned brother that the petition should not be wholly dismissed. As to the particular order to be substituted for it, he had felt some difficulty, but on the whole he thought that he might, consistently with his duty, agree in the order of the Lord Justice in all respects.

RE THE LEEDS BANKING COMPANY, EX PARTE ADDINELL. SAME, EX PARTE DOBSON. SAME, EX PARTE FEARNSIDE AND DEANE.

THESE causes were heard in the Court of Chancery by Vice-Chancellor Sir R. T. Kindersley on the 17th November.

These were adjourned summonses on the question whether the above parties were severally liable to be put on the list of contributories in the winding-up of this company. Inasmuch as the same facts applied to each, so far as the company were concerned, varied only by the different position of the parties, all the summonses were heard successively, and his Honour expressed his opinion on them all at the conclusion of the arguments. It will be recollected that this company having carried on business for many years, and having a certain number of unissued shares in reserve, determined, in June, 1864, to issue these to their then present shareholders in the proportion of one to each five of their shares, and a circular was sent by their manager, Mr. Greenland, to the effect that the directors being of opinion that it was desirable to issue the reserved shares, directed him to offer one share in respect of every five held by the shareholder, and there was a request that the recipient should sign in return an enclosed form, stating whether he was desirous to take up the shares or wished to have any more allotted. If taken up the amount must be paid on or before the 1st of October then next, or the shares to be forfeited; if paid before that time £5 per cent. interest would be paid on the shares. On the 4th of July Mr. Addinell (to whom one of these circulars was sent) returned for answer that he agreed to take four shares, being his proportion of the allotment and his proportion of shares in addition if he could have them on the terms stated in the circular. On the 18th of July, Mr. Greenland wrote to Mr. Addinell stating that the directors had allotted to him four additional shares for which he had applied, at £30 per share. in addition to the first four, making the number of new shares eight; that the directors, in consequence of the very numerous applications, were unable to allot any larger number; and then came the condition of forfeiture in case the amount was not paid before the 1st of October, with £5 per cent. on an earlier payment. The money was not paid, and, as is well known, the company failed before the 1st of October, 1864, and was ordered to be wound up, and the question now arose whether the above correspondence constituted a contract so as to make Mr. Addinell liable. It was contended for the official liquidator that there was such a contract; for Mr. Addinell that there was not.

With respect to the second case, it stood in this way:—Mr. Joseph Dobson was a holder in the company of five shares, and he died in 1846. Under the same circumstances as in Mr. Addinell's case, one of his executors, Mr. Dobson, applied for and had one share allotted to him, in respect of five shares and one additional share, but Mr. Thacker, his co-executor, did not concur. It happened that the entries in respect of these shares were made as the executor of the testator, and that there was a receipt for the money which was paid to him as executor. As to the case of Fearnside and Deane, this was also a case of executors—the testator, Mr. Edward Fearnside, who died in 1860, leaving Mrs. Sarah Fearnside and Mr. Deane executrix and executor, and being the holder, at his death, of ten shares, in respect of which, under precisely the same circumstances as the last, two shares were allotted to the executrix and executor, the only difference between this and Dobson's case being that both representatives applied.

Mr. Glasse and Mr. Gotton appeared for the official liquidator; Mr. Bailey and Mr. Wickens for the alleged contributors.

The Vice-Chancellor now referred minutely to the circumstances of each case, and was of opinion that Mr. Addinell was only liable to be put upon the list for four shares, inasmuch as with regard to the additional shares there had been no communication by him after the circular referring to the forfeiture on non-payment. As to Richard Dobson there was no doubt that the company had dealt with him as executor, and if he was liable at all it was in that character, but inasmuch as Mr. Thacker did not join with him, and one executor could not be placed upon the list without the other, there was no liability to be placed upon the list at all in this case. With respect to the Fearnside's case the same observation applied as to the last, but *a fortiori*; but inasmuch as both representatives had joined in the application they must both be put upon the list, but only in their characters of executrix and executor. It was evident that the intention of the company was to deal with them as executors.

Banking and Commercial Law.

NOTES ON JOINT STOCK COMPANIES.

By ROBT. ARTHUR WARD, Solicitor.

THOUGH there is no necessary connection between a shilling pamphlet on joint-stock companies and the principles of commercial law, the contents of this publication induce us to place it under this particular heading. Thirteen years ago the author published a treatise on investments generally, in which he discussed the respective merits of such modes of getting an income out of capital, without personal exertion, as were then in favour. In his remarks on the subject of investment generally, he, to some extent, forecast the effect of the Australian gold discoveries, and expressed his belief that a rise in the price of almost every commodity would constrain the owners of realized capital to seek for some more profitable way of using their money than was offered by stock in the funds, and purchases of, or mortgages upon, real property in the United Kingdom. Without inquiring whether Mr. Ward is entitled, on this account, to be ranked with the prophets of finance, we may at once admit that his anticipations have, to a great extent, been realized by the progress of events, and that the action of the legislature has tended greatly to accelerate a movement which these circumstances had originated. Auriferous discoveries and the Limited Liability Act have unitedly wrought wonders. The lengthening lists of undertakings brought out by promoters, and quoted on the Stock Exchange, bear testimony to the extent of the change which is now passing over the habits of commercial England: and Mr. Ward's

pamphlet derives its value from the accuracy with which it indicates the features of sundry important classes of recently introduced undertakings, and the legal responsibilities incurred by the constantly augmenting class of joint-stock shareholders. As was to be expected, a large portion of Mr. Ward's "notes" consists of safe generalities. A Mentor, who endeavours to make safe and simple the difficult task of getting a high rate of interest without perilling the principal, must begin by laying down a number of rules to which every one will assent, but which very few know how to apply. No doubt people ought to consider well beforehand the result of applying for shares, and to watch with interest the operations of the companies in which they put their money; to stop them in doubtful courses, if they have the power to do so, and to sell out of any concern when they find it is going down hill. And, given that a company is safe, no doubt prudent persons may wisely invest in it; granted that many companies are got up solely for their promoters' benefit, and that others, from some cause or other, miscarry, it is equally clear that every one who wants to keep his money must avoid holding shares in these undesirable undertakings. Still we seem to have heard all this before, and though we do not know that the publication of such platitudes can do much harm, we are quite sure they will not do any one any good. To do Mr. Ward justice, he seems conscious of this when he recommends intending investors to apply for advice to some solicitor who has made company law and practice his specialty; who can speak his mind under the shelter of professional confidence, and whose *bona fides* are secured, both by his own interest and by the sanctions of professional supervision.

But we should be doing Mr. Ward an injustice did we lead our readers to suppose that his pamphlet contains nothing more valuable than general counsels and a particular recommendation to consult a solicitor. On the contrary, he makes many suggestions upon which every shareholder ought to act, but which experience teaches us, all but a very small minority will heartily approve in theory, and utterly ignore in practice. The four essentials of success, our author tells us, are—a good scheme, a seasonable time, sufficient capital, and efficient management. In common with every practical man of business, he holds the belief that only when a trade is too large for individual management, is it a proper subject for joint-stock enterprise, and his suggestions as to the best mode of remunerating promoters, managers, and officials, are well worth the attention of any who have to consider these questions. On the means recommended for testing the *bona fides* of a new scheme, the scrutiny

of the list of original subscribers, the careful perusal of the articles of association, he gives advice which ought always to be followed, but which is certain to be neglected. In like manner the interrogatories he proposes for the examination of secretary and promoter would be very valuable if one could only be sure of getting them correctly answered, for, as he rather naively says, such answers, "*if truly given*, will throw much light upon the *bona fides* of the company." But subject even to this important qualification, the very fact of having the need for inquiry on the details of the company's get-up brought clearly before the public mind, will probably do much to check the blind confidence by which designing projectors profit and impetuous shareholders suffer.

The greater, and we may add, the most useful part of Mr. Ward's notes, is occupied with a brief resumé of the law of joint-stock companies. Of course, it is not possible in a few pages to indicate every point that may arise, or even to mention every decision that has been given. But though information in detail was not to be expected, the non-professional reader will be glad to have company law in outline. As in other portions of the lawyers' territory, the turnings and involutions, the debatable land and the uncertain boundaries are so numerous, that even the most skilful and experienced guides may sometimes err. But it is, nevertheless, true that the main features, the high roads, the common paths, are easy both to learn and to remember; or, dropping metaphor, we may say that the leading rules on which our courts act are perfectly intelligible and reasonable, and it is only in the particular application of them, in determining whether an individual set of circumstances falls within or without a certain class, that any difficulty or confusion is likely to arise. Mr. Ward has done this important portion of his work very well, and has wisely abstained from attempting to make every man his own lawyer. But we think his selection of cases is not always the happiest. The power of a shareholder to transfer his shares for the sole purpose of escaping his liability, was affirmed in the case of *ex parte Rudolph* (32, L. J. Q. B. 269), a decision more recent, and more important than the Irish case cited at page 15. When writing about preference shares, it would have been as well to refer to the test of the right of the holders of such shares to arrears of dividend, furnished by the decision of the Lords Justices in *Sturge v. Eastern Union Railway Co.* (7 D. G. M. & G. 158); *Henry v. Great Northern Railway Co.* (27 L. J. Ch. 1, 1 D. G. & J. 606); and though the caution to debenture holders is wise and well-timed, it is not quite correct to say that Lloyd's bonds stand on a different

footing to securities given to raise money in excess of a company's borrowing powers, inasmuch as the decision in *Chambers v. Manchester & Milford Railway Co.* (10 Jur. (N. S.) 700; 33 L. J. Q. B. 268; 12 W. R. 980, 10 L. S. N. S. 715), invalidated some of these very bonds, the court holding that though they might be lawfully given to secure payment for work, they could not be used as instruments for raising money. There is a similar obscurity in the statement of the case of *Maddick v. Marshall* (10 Jur. N. S. 1201; 13 W. R. 205), and it would have added to the value of the "notes" if the annotator had said something about the acts by which forfeiture may be incurred, and the cases in which it may be advisable, on the principle of throwing overboard the cargo, that the ship may ride through the storm. However, we observe that Mr. Ward is contemplating a new edition of his book on investments, and in that, probably, these omissions may be supplied. At the same time, also, it would be well to devote additional attention to the risks, duties, and liabilities of directors, secretaries and other officers. The cases of *Scott v. Dixon* (29 L. J. Ex. 62. N., *ex parte* Nicol, 28 L. J. Ch. 257); *Cullen v. Thomson* (6 L. T. N. S. 870), and a host of others, not to mention such unpleasant matters as the prosecution of Humphrey Brown and his colleague, are replete with salutary warnings to any well-meaning gentleman who may be too ready to assume directorial responsibilities or too anxious to pocket directorial fees.

Mr. Ward's estimate of the relative excellencies of different classes of companies is correct, and, in the main, encouraging. For various reasons, he doubts whether shares in the older joint-stock banks will maintain their high premiums, yet he thinks the field for banking, as well as for life and fire insurance, is, at present, too well occupied to leave new ventures a chance. Discount corporations seem the least lucky of money dealing; iron work companies of commercial joint-stock organizations. Like many other men, he speaks of the wondrous dividends paid by financial associations with surprise, but thinks them too risky to recommend. How far this is a correct or an over-cautious estimate must, of course, remain a problem for some time longer. Without in every instance endorsing Mr. Ward's views, we have said enough to show that these "Notes on Joint Stock Companies" are well worth perusal, and that they contain much matter which shareholders, actual and potential, would do well to bear in mind.

Reports of Joint-Stock Banks.

BANK OF BOLTON.

THE annual general meeting was held at the Bank, on Friday, the 25th September. The chair was occupied by Mr. Peter Martin, of Rivington, J.P., chairman of the board of directors. The other directors present were Mr. Thomas Barnes, M.P., Mr. John Orton, J.P., Mr. John Cannon, J.P., and Mr. Wm. Haslam, of Lever Grange. Amongst the shareholders present were the mayor (Richard Stockdale, Esq.), Alderman J. K. Wolfenden, Mr. Robert Wenden, and other gentlemen of position and influence in the town and neighbourhood. The report of the directors was read by Mr. Fergusson, the manager, and gave a very favourable account of the position and business of the bank. The losses for the year were amply provided for, the usual dividend of 10 per cent. for the year was declared, and a bonus of 10s. per share was added to the paid-up capital, making each share £12. 10s. paid up, and raising the paid-up capital to £125,000. The guarantee fund was stated now to amount to £38,887. The result to the shareholders for the year is £14. 3s. 4d. free of income-tax. Cordial votes of thanks were given to the chairman and directors, to the manager, and other officers of the bank, and the sum of £500 was placed at the disposal of the board for the valuable services rendered to the bank by the directors for many years.

LONDON AND SOUTH AFRICAN BANK.

THE ordinary half-yearly meeting was held on the 1st November, at the London Tavern; Mr. J. R. Thomson in the chair.

The following report of the directors was read by Mr. W. M. James, the manager:—"The directors beg to submit the accounts of the bank for the half-year ending the 30th June last, showing a net profit of £28,920. 4s. 5d.—equal to the rate of 11½ per cent. per annum on the paid-up capital. The accounts thus rendered convey a faithful statement of the transactions of the bank for the first half of the present year; but towards the expiration of that period information reached the directors from different points within their sphere of action in South Africa that extensive commercial failures had taken place, and that others were apprehended, which might entail loss upon this bank in common with other banking establishments in those colonies. They lost no time in despatching their London manager, Mr. James, to the Cape, with full power to protect the interests of the bank. He has lately returned, after making such arrangements as seemed to be advisable under existing circumstances. Although the commercial crisis in South Africa has not entirely passed away, measures have been taken so to reduce the liabilities of this bank as its directors feel satisfied will ensure the safety of the capital. Under these circumstances the directors think it their duty to refrain from declaring the usual interim payment on account of dividend, while they indulge the hope that it may be in their power to render a more cheering account to their shareholders at the conclusion of the present year."

STATEMENT OF LIABILITIES AND ASSETS.

LIABILITIES.

<i>Dr.</i>				
Capital paid up	...	...	£500,000	0 3
Circulation, notes, and bank post bills	...	...	32,507	0 5
Deposits	...	...	459,739	5 0
Bills payable and other liabilities	...	...	264,528	3 4
Reserved fund	...	...	18,181	6 5
Balance of profit and loss account (reserved to meet anticipated losses by bad debts)	...	...	28,920	4 4
			<u>£1,303,875</u>	<u>19 9</u>

ASSETS.

<i>Cr.</i>				
Specie on hand and cash balances	...	...	£130,349	5 0
Bank premises, furniture, fittings, and other property	...	...	20,060	7 8
Local bills discounted, bills receivable, government and other securities	...	...	1,151,858	1 4
Preliminary expenses—Original amount, £8,041. 9s. 9d.; less, deducted, £6,433. 4s.	...	...	1,608	5 9
			<u>£1,303,875</u>	<u>19 9</u>

PROFIT AND LOSS ACCOUNT.

<i>Dr.</i>				
Interest, commission and exchange paid	...	...	£10,690	2 10
Charges for the half-year, including rent, taxes, and all other expenses at head office and branches...	...	...	12,710	0 3
Rebate on bills not due...	...	...	11,229	8 1
Balance reserved to meet anticipated losses by bad debts	...	...	28,920	4 5
			<u>£63,549</u>	<u>15 7</u>

<i>Cr.</i>				
Balance of undivided profit carried forward, as per last annual statement, to 31st December, 1864	...	...	£377	9 4
Rebate on bills not due 31st Dec., 1864, brought forward	...	...	13,019	1 11
Gross profit for half-year, to 30th June, 1865...	...	...	50,153	4 4
			<u>£63,549</u>	<u>15 7</u>

The Chairman, in moving that the report and statement of accounts be read and adopted, remarked that it had been his pleasing duty on previous occasions to announce a dividend; but on the present occasion, he was sorry to say, circumstances had arisen which would make it, in the opinion of the directors, injudicious to trespass on the profits of the half-year in order to pay a dividend, but to reserve them to meet past-due bills and other contingencies that must arise from the crisis that had taken place in the colony. With regard to their own position, he thought he might safely say that they had gone successfully through that crisis, and from the accounts recently received from the colony he had every reason to believe that their capital was perfectly intact. (Hear, hear.) They no doubt must suffer a considerable loss, but he believed that they had the means of meeting it without trenching upon the capital. The profits of the bank for the half-year ending June 30, amounted to about £29,000, and they had a reserve of £18,000, making together £47,000 to their credit,

without trenching upon the capital. Independent of reductions, they had the profits up to the present time and to the 30th December, which would be more than sufficient to protect the capital entirely, under any circumstances arising from the commercial crisis he had alluded to.

Colonel Holland, deputy-chairman, seconded the motion.

A Shareholder complained that the working expenses, £12,000, were disproportionate to the profits. (Hear, hear.) He thought thirteen directors were more than sufficient, and that five would be quite competent to manage the concern, and he suggested that they should receive £1,500 a year.

The Chairman remarked that the shareholders had no knowledge of the expense of travelling in a colony where some of the branches were 700 or 800 miles distance from each other, and where it was necessary to keep up an expensive establishment of clerks. The directors had thought it better to reduce the number of branches, and keep up those only which were the most profitable, and they were taking steps to effect that object.

A Shareholder inquired the amount of the ascertained losses.

The Chairman replied that on the 30th of June last, the past-due bill accounts amounted to £76,000. Since then £21,000 had been received, and from the latest accounts from the colonial inspectors and managers, they estimated the loss that would be sustained at £21,000 or £22,000. The directors, however, were not quite satisfied that that sum would cover the whole loss, and therefore they recommended that no dividend should be declared.

The Chairman, in reply to a question as to the cause of the increase in the charge for interest, explained that it was occasioned by the increase of deposits, which had risen from £250,000 in 1862 to £459,003 on the 30th of June this year.

A Shareholder thought it would be desirable for Mr. James, the manager, who had just returned from the colony, to give some explanation as to the state of their affairs.

Another Shareholder inquired whether the losses had arisen in the ordinary course of commerce, or from advances made by the managers on worthless securities?

The Chairman answered that the pressure had entirely arisen from the collapse occasioned by the drought, and the war in the Free States, which had prevented the merchants from realizing their produce and meeting their engagements. The directors had anticipated an objection advanced by a third shareholder as to the remuneration of the directors by declining this half-year to take any remuneration. (Hear, hear.)

Mr. James, the manager, responding to an appeal from several shareholders in reference to the losses, stated that the past-due bills on the 30th June amounted to £76,000, against which they held securities amounting to £171,000. He did not think that these securities could be fairly valued at so large a sum, taking into account the depreciation of every description of property in the colony, but if they took it at half that amount, there was still a large margin. Out of the £76,000 over-due bills, £30,000 had been paid in full, thus bringing down the amount to £56,000 on the 30th June. Many of the other bills would likewise be paid in full, and others, which had two or three good names upon them, would yield good dividends. The working expenses were a little more than formerly, in consequence of the opening of the new branches and of some slight additions to salaries. He thought it would have been wiser if they had not opened the branches at Colesburg, Graaf Reinet, and Richmond. The Richmond branch was opened without the knowledge of the directors, and instructions had been given out to close it and the other two. At the same time he did not

anticipate any great loss as arising from those branches. No doubt there had been some overtrading in the colony, besides which a system of passing accommodation bills had prevailed to a very great extent. That was, however, now put a stop to, and no further losses were anticipated from that source: He did not believe that one penny of the capital of the bank was touched. Having formed his own judgment as to the probable dividend which would be realised on all the past-due bills, he could safely say that the capital of the bank was not touched, and he could go further even than that and say, that taking into account the profits of the whole year, he did not believe the reserve would be touched. (Cheers.) But of course he could not pledge himself on this point.

Several shareholders expressed their thanks to the manager for his very succinct and satisfactory explanation.

A Proprietor inquired if the reserve was invested.

Mr. James—£17,000 of it is invested in Government securities.

In reply to further questions,

Colonel Holland (deputy-chairman) stated that the reason why the directors had not given any precise statement of the actual losses was that they had no positive statement before them. Up to the present time, however, he did not believe they amounted to more than £5,000. During a great commercial crisis, such as the Cape had passed through, a large amount of bad debts had unavoidably been incurred, but they were covered by a very large amount of securities, and although those securities more than doubled the amount of the over-due bills, the directors could not as conscientious men recommend the appropriation of any portion of the profits to the payment of a dividend, as it was impossible, so many good houses at the Cape being still shaky, and the depreciation of property there being so great at present, to say what might be recovered, or whether the losses might not absorb the whole of the profits.

A Shareholder inquired what was the nature of the securities?

Colonel Holland—It is to some extent land which we took as collateral security only.

In reply to further questions,

Mr. James added that the securities, if taken at a largely depreciated value, would more than meet the past-due bills. The liabilities were already largely reduced, and instructions had been sent out to the colony not to open any new branches without the consent of the directors.

The motion adopting the report was, after some further discussion, put and carried unanimously; after which the meeting was made special, and the supplemental charter granted by her Majesty, and dated 15th June, 1865, was accepted and confirmed.

A vote of thanks to the chairman and directors, and a special compliment to Mr. James, the manager, concluded the proceedings.

LEEDS BANKING COMPANY.

THE official liquidator and other parties attended before Mr. Buckley, the chief clerk of Vice-Chancellor Kindersley, at chambers, 2nd November, further to proceed with other matters arising out of the failure of this corporation.

Mr. Hansom and Mr. Williams, from the office of Mr. Freshfield, represented Mr. Turquand, the official liquidator, Messrs. Richardson and Farmer, of Leeds, also appeared.

Mr. Hansom said the first matter would be the case of Mr. John Pape, who had been a corn-miller at Leeds, and Messrs. Thomas Pape and Charles Oxley were his executors. The deceased had a claim of £3,343. 15s. 9d. against the bank as a depositor, and he was also on the list of contributories. It was intended to apply to the court as to whether the one might set off as against the other.

Mr. Richardson however assented, and the Chief Clerk made the necessary order.

Mr. Hansom observed that in the matter of Mr. James Ashworth he desired to prove against the estate of the Leeds Banking Company, as endorsee of a bill of exchange for £222. 12s. 2d. The bill had been endorsed by Mr. Marsden to Joseph Marsden and Sons, by them to the Leeds Banking Company, who endorsed it, and it then got into the hands of the applicant. He (Mr. Hansom) had to point out that the notice of dishonour was given too late.

The Chief Clerk suggested that an action would lie against the bankers for negligence.

Mr. Hansom said the plan had been tried, and the applicant was defeated, and now they were anxious "to do" the Leeds Banking Company, but found they were a day too late.

Mr. Turquand pointed out that he was urged by the contributories of the Leeds Banking Company to insist on their strict legal rights, and therefore had no alternative.

The Chief Clerk said he should be very uncomfortable under the circumstances were he the party liable for the bill.

Mr. Turquand suggested that the applicant still had his action against the drawer.

The Chief Clerk—Yes, of course.

Mr. Turquand said he was obliged to act strictly on the letter of the law; but he might say that the acceptance was one of the many forgeries that Marsden sent into the world through the Leeds Banking Company.

The Chief Clerk—Then in reality there was no acceptance at all. The holder, having failed to give notice of the dishonour at time fixed by law, lost all claim as against the banking company as endorsees. He would not, however, advise the applicant. He could apply elsewhere if he pleased.

Mr. Foster, solicitor, thought it would be the best way to give it up and lose the money altogether.

The Chief Clerk said the learned gentleman could take the matter further, and apply for a summons on another day.

Mr. Hansom applied for an order of substituted service in the case of Mr. Kirby, who formerly lived at 15, Cambridge-terrace, Paddington. That gentleman was on the list of contributories for 52 shares, at £10 a share. Several attempts had been made to serve the order for the payment; but the wife of the contributory refused to give his address, and told the clerk that it was on account of his liability for the Leeds Banking Company that her husband was not "in the way."

The Chief Clerk could not see the object of substituted service in such a case. It was not known where the contributory was living.

Mr. Turquand was advised that it might be possible to get hold of the furniture and all other effects. He was, however, personally anxious to say that he did not like, nor did he ever wish, to proceed to extremes upon the contributories' list, if the parties showed a disposition to pay; but he would observe that there were several who kept out of the way; and he (Mr. Turquand) had seriously thought of advertising for "gentlemen wanted,"

and offering a reward for intelligence of their whereabouts. This might be considered a very extreme measure, but there were many who treated the matter very lightly. He could instance two whose names it would perhaps be unadvisable to mention, who had ample means of discharging the claims against them. Another one had cost the estate about £30 in expenses, who could and would be made to pay when he was to be found. He (Mr. Turquand) asked for an order to invest £35,000, cash in hand, in Exchequer Bills, according to the forms of the Court.

The chief clerk suggested it should be paid away.

The official liquidator said the amount at present in hand was not sufficient to justify another dividend, but he hoped at the end of December to be able to distribute another 4s. per share.

The meeting for the further dividend was then adjourned.

LONDON AND MEDITERRANEAN BANK, LIMITED.

AN extraordinary general meeting of this company was held on the 6th November, at the Baltic Sale Rooms, South Sea House, to submit a resolution for the voluntary winding-up of the company, consequent upon its amalgamation with the London and Bombay Bank; W. J. Maxwell, Esq., in the chair. The secretary having read the advertisement,

The Chairman said it would be unnecessary for him to detain the meeting, as it was purely of a formal character to propose a resolution for winding up the affairs of the company voluntarily.

Resolution put and carried unanimously.

A vote of thanks to the chairman closed the proceedings.

LONDON AND BRAZILIAN BANK.

AN extraordinary general meeting of the shareholders of this bank was held on the 10th November, at the bank offices, Old Broad Street, Mr. Cater in the chair, for the purpose of confirming the resolutions which were adopted at the meeting of the 10th October last.

The following are the resolutions referred to:—

“That the supplemental agreement now read, between this bank and the banks of Mauá & Co., and Mauá, McGregor & Co., referring to the liquidation of the respective businesses of the respective establishments by the ‘London, Brazilian, and Mauá Bank, Limited,’ be and the same is hereby approved, and the directors of this bank are specially authorised and empowered to carry the same into effect, with any modifications or alterations in the provisions thereof which may appear to them necessary or proper.”

“That the foregoing resolution shall in no degree repeal, alter, or affect the special resolutions of the company, passed on the 11th May, 1865, and duly confirmed on the 9th of June, 1865, or the powers or authorities thereby given to, or conferred on, the directors of this bank; except only and so far, if at all, as the supplemental agreement approved by this meeting varies any provision contained in the memorandum of agreement for amalgamation, or may render the alteration of the dates mentioned or referred to in such memorandum of agreement or special resolutions, or any or either of such dates, necessary, or in the judgment of the directors expedient or proper.”

The Chairman having put the resolutions for confirmation, Mr. Cantor said that at the last meeting it had been stated that the final liquidation of the present bank would not be for two years. He wished to know whether the profits between the 30th of June to the 31st December would not be divided, or whether they would be accumulated, and the whole reserved for two years hence.

The Chairman said there were two years allowed for the liquidation, but he knew nothing that should prevent them from winding up their affairs at a much earlier date. With regard to the dividend, the directors, after receiving the returns of 31st December, would be able to form an opinion as to whether there ought to be a dividend or not. For himself, he saw no reason why they should not declare that dividend, because he supposed there would be a considerable balance over. But it would depend on the reports they received from their officers and from the Brazilian board after the 1st of January. The institution was never in a more healthy position, its credit never stood higher, and most deservedly so. (Hear.) He looked forward to a happy future for the shareholders. He was not infallible, but when the war in Brazil was over he looked forward to a very healthy position for the bank. There was one debt which they had doubts about, but the last mail brought accounts which showed that this debt was perfectly secure.

Mr. Cantor said he was glad to hear what the chairman had said regarding the dividend, because the public were under the impression that they should not have any more dividend for two years. From what had been now stated it appeared that if no untoward circumstances occurred they would have a dividend about the middle of next year.

In answer to another proprietor,

The Chairman stated that the reserve fund would not be divided until all their affairs were wound up. The present half-year foreshadowed the best results they ever had. (Hear, hear.)

The motion was then adopted, as was a vote of thanks to the chairman and directors for the zeal and ability with which they conducted the affairs of the bank.

In reply to a question whether there had been any change in the board of directors,

The Chairman said there had. The deputy-chairman and himself could not altogether agree upon certain points, and he sent in his resignation, which was accepted. He regretted this, and he expressed his regret to the deputy-chairman. He regretted that the deputy-chairman assumed a position which he did not think he was warranted in assuming. He maintained his opinions as he (the chairman) maintained his, but differ as they might he hoped there would exist that respect which he should claim for himself from everybody, whether on the board or elsewhere. He was sure that the bank would not want directors of standing or judgment to conduct its affairs. Another director had also resigned, from ill-health, so that there were now two vacancies. Baron Mauá would be a member of the new board.

The meeting then separated.

IMPERIAL OTTOMAN BANK.

A SPECIAL general meeting of shareholders was held on the 16th November, at the London Tavern, Sir W. Clay in the chair, to decide respecting the issue of new shares, and to modify certain articles of the statute relative to the reserve fund.

The Chairman explained that the business of the meeting was limited to the two objects mentioned in the advertisement. As to the affairs of the bank, it was sufficient to say that they were going on satisfactorily. At the last meeting, in July, in alluding to the striking facts and figures which made manifest the increasing business and extended operations of the bank, he intimated that in the opinion of the committee it would be probably necessary to call for an increase of capital. In pursuance of that opinion, the soundness of which had been confirmed by the experience since July, the board had summoned the present meeting. There were two points for consideration—first, the amount of the increase; and secondly, the mode in which the shares should be issued and the capital called up. With regard to the amount, there were two main considerations to be kept in view. On the one hand, that they should have abundant capital to enable them to carry out whatever enterprises, and to conduct whatever business appeared to the directors to hold out the prospect of advantage; and on the other hand, to avoid calling up a larger amount of capital than could be advantageously employed. Upon these two considerations, the English board, in conjunction with their French colleagues, had bestowed great attention, and he hoped the shareholders would be of opinion that the result had arrived at the just medium. When the new capital, as proposed in the resolutions he was about to submit, was called up, and added to the existing capital, the total amount of capital they would have available would be £2,025,000. As to the employment which they had for capital, first it was important that they should provide sufficient capital for working the several branches of the bank, because it was through those branches that a great part of their profits were derived. On previous occasions he had noticed the increased area of their operations and the number of their branches. The old Ottoman Bank had four branches. Now they (the Imperial) had, including those in active operation, those which were being established, and those which were in certain contemplation of being established, 17. They had branches at Beyrout and Aleppo, in Syria; at Aidin, Kara Hissa, Sparta, and Magnesia, in Asia Minor; on the shores of the Black Sea they had branches at Varna and Trebizond; and in European Turkey and other places they had already, or were arranging for, the establishment of others, making up the number he had stated. The capital required for these branches could not be taken at less than £600,000. Then by the statutes they were under a permanent advance to the Ottoman government of £500,000; and again, for the large centres of Constantinople, Paris, and London, large sums must be reserved, making together a requirement for at least the capital which they would have if the present proposal were sanctioned. But beyond this it must be borne in mind that part of the duty of the bank was to assist in the promotion of every great industrial enterprise that could offer a good security for the advance, and which might be useful in developing the resources of the country, increasing its prosperity, and consequently of improving the position of the bank. There were several such enterprises now in progress, in the shape of railways and other works, and there were various other objects to which the capital of the bank might be advantageously directed, and rendering it important that they should always have ample funds at their disposal. There were now, as the shareholders were aware, 135,000 old shares, and it was proposed in the new issue to give one new for every two old shares held. The new shares would be issued at a premium of £2. 10s. each, and the payments upon them would be £5 on 1st December, £3 on 1st February, £3 on 1st May, and £1. 10s. on 5th July, making £12. 10s. per share; viz., £10 to bring up the shares to the same amount paid as the old shares, and £2. 10s.

premium. It was also proposed that, notwithstanding the capital to be called up on the new shares would not be fully paid until July next year, they should be entitled to divide with the old shares the entire profits of the year 1866, as well as the ad interim dividend of five per cent paid at Christmas as the general dividend when the accounts for the year were made up at Midsummer. This was, no doubt, offering a great advantage to the new shares, but the committee of directors considered that, as it was the old proprietors who would become the proprietors of the new shares, it was right; and that they were right, therefore, in offering them these new shares, that they should offer them also all the advantages attendant upon them. (Hear.) It was further proposed to place the whole of the premiums received upon the new shares to the reserve fund. (Cheers.) The amount of the reserve fund at the period to which the accounts were last made up was £42,830; the amount of the premiums on the new shares would be £168,750, which, when added, would bring the reserve fund up to £211,580. The statutes provided that ten per cent. of the profits should be set aside every year to the reserve. And the directors were advised that, to set aside these premiums to that purpose, the statutes must be modified in this particular. They had obtained the assent of the Porte to such modification, and a second resolution would be submitted to the meeting to authorise it. In the opinion of the board, if the proprietors passed these resolutions, they would be provided with abundant capital for all the objects they contemplated. In their position capital was power, and it was most important that they should retain and enhance the opinions which prevailed of their wealth and solidity, coupled with a character for liberality and fair dealing. He begged to propose the following resolution:—“That the nominal capital of the bank be increased to £4,060,000 (101,250,000fr.), by an issue of 67,500 shares of £20 (500fr.) each. That these shares shall, in the first instance, be offered by advertisement to the holders of the existing shares, at a premium of £2. 10s. (62fr. 50c.) per share, in the proportion of one new share to every two old shares. That any shares remaining unapplied for by the holders of the existing shares by the 1st December, 1865, shall be disposed of by the committee for the benefit of the bank. That £10 (250fr.) per share (exclusive of the premium) shall be paid on each of these new shares, and that the total amount payable on these shares shall be paid at the following dates, viz.:—£5 (125fr.) on the 1st December, 1865; £3 (75fr.) on the 1st February, 1866; £3 (75fr.) on the 1st May, 1866; and £1. 10s. (37fr. 50c.) on the 5th July, 1866, with power to the committee to receive payment of the several instalments in advance, on such terms as they shall think fit. That interest be charged on all payments in arrear, at the rate of six per cent. per annum, from the days they are respectively payable. That if any instalment and interest thereon be not paid within one month after the day fixed for such instalment, the said shares shall be dealt with in accordance with article 14 of the statutes. That the new shares shall be entitled to participate in all profits with the old shares from January, 1866.”

The motion having been seconded,

Mr. Davis thought the proposition was one that ought not to be accepted too hastily, but that time should be given for fully considering it. He had confidence in the committee, and believed them when they stated that more capital was required to carry on the business of the bank; but if so, why should not the shareholders have the advantages secured to them by the concession; one of which advantages was, that all new shares should be issued to the shareholders at par? (No, no.) Yes, such was the effect of the articles of concession, and as they were entitled to the new shares at

£10, it was very absurd for them to give £12.10s. each. (Hear, hear.) He agreed in the importance of having a reserve fund, but let it be formed in the proper manner, by a periodical setting aside a portion of the profits, and not by calling up so much capital from the pockets of the shareholders. He further contended that the reserve should be invested in safe securities, paying three or four per cent., and not used as capital, to be dealt with in the ordinary banking business. This practice of creating new shares seemed to be all the rage now. A company of which he was a shareholder, and which had gone on prosperously, and accumulated a reserve of £250,000, lately determined upon issuing new shares, and the result was, that the first dividend after the issue was reduced by £1 per share, and the quotation of the shares fell from £68—£72, to £48. (Hear, hear.) What was the motive of the directors in taking this £2.10s. a share out of the pockets of the proprietors? They did not require it for increasing confidence. They had now a capital of £1,300,000, which, with the addition proposed, would be now £2,000,000, with a back of £2,000,000 more uncalled up. That surely was sufficient in the way of security. After some further remarks, he concluded by moving, as an amendment, that the shares should be issued at par. (Cheers.)

A Shareholder seconded this proposal, which seemed to meet with very general favour from the body of the meeting, but

The Chairman assured the meeting that the plan recommended by the directors, after mature consideration with their French colleagues, was that which would be most advantageous to the company and to every proprietor. He reminded them that some of the best conducted banks had taken the same course of issuing new capital at a premium, and carrying that premium to the reserve. It was a great advantage to have a large reserve, and in this case, while securing that object, the directors were benefiting the old shareholders directly, by offering them the shares at a price much below the market price of the existing shares. In the old Ottoman Bank, one of the best conducted and most successful financial institutions ever established, they had increased the reserve by adding to it money that might otherwise have been divided among the shareholders, and in this way, accumulated a large amount. [A voice, "But that was out of profits."] (Hear, hear.) At all events, the board felt that they would not be doing their duty if they accepted a resolution for an enlargement of capital without a premium on the new shares, and the meeting would have the kindness to understand that the proposition submitted to them on the part of the board was that the shares be issued at a premium of £2.10s., and that if that was negatived, the whole affair, so far as raising additional capital, would fall to the ground.

Some shareholders protested that this was in the nature of a threat.

Mr. Walter Church also protested against what the chairman said, as a threat against the shareholders, and moved the adjournment of the meeting.

A shareholder contended that the course proposed from the chair tended to depreciate the market value of the shares, inasmuch as it would place them in the hands of the public instead of keeping them in those of the existing shareholders.

Another shareholder wished to know whether the proposed increase of the capital would add to the remuneration, nearly £20,000 a year, already received by the directors.

The Chairman replied in the negative. The founders, whose interests were identical with those of the directors and the shareholders, gave up any claim they might have for increased emolument consequent upon the increase of capital.

Mr. G. Seymour said, having been consulted by the board as to the best manner of issuing the shares, and having been to Paris to consult the French committee there, he must say that he believed the course proposed was the best one for the shareholders generally. From the tone which some of the shareholders assumed, it would be almost supposed that the founders and directors had different interests from those of the shareholders, but that was not the case. The board were anxious to strengthen the position of the bank by an addition to its capital, and by a large reserve fund, which was held for the benefit of the shareholders themselves. It was said that, because the directors would not accept the proposal of issuing the new shares at par, they threatened the proprietors, but that was not the case. The fact was that by the statutes they could not act without the assent of their French colleagues. In conjunction with the French committee, they had framed a proposal which had been submitted to the meeting. If the shareholders did not approve of it, they could reject it; but the directors could not accept the suggestion of offering the shares at par, inasmuch as it was at variance with the conclusion which the French committee had sanctioned.

The Chairman also explained that, however painful it was for the committee to differ from the shareholders, it was not in their power at present to consent to an alteration in the terms upon which the new shares should be issued. All they could do, if the motion submitted from the chair was negatived, was to report the opinion of the meeting to the French committee, and consult with them before taking any further steps.

After a long discussion, in the course of which Mr. Davis was urged to put his amendment himself as the chairman seemed to object to do so—it was arranged that the meeting should be adjourned for a fortnight, to afford the English committee an opportunity of consulting their French colleagues, the motion for the adjournment—which it was understood was to be taken as an expressed disapproval of the terms proposed by the board—being carried against one dissentient only. Some of the proprietors were, however, not satisfied with this, and insisted upon Mr. Davis's amendment being put to the meeting, which was accordingly done by Mr. Davis himself after the chairman had left the chair, and declared to be carried.

LONDON AND VENEZUELA BANK.

THE following is the report of the directors of the London and Venezuela Bank, Limited, to be presented to the proprietors at the second ordinary general meeting to be holden at the London Tavern, on November 30th, 1865.

In presenting their second report, with the accompanying balance-sheet, the directors have to congratulate the proprietors on the greatly improved position of the bank since they last had the pleasure of meeting them. Increased strength has been secured to the bank by the issue of the balance of the first 5,000 shares. As, however, the additional capital thus raised had not reached Venezuela at the date of making up the accounts in Caracas, it will be seen that the profits of the half-year have been earned on a paid-up capital of about one-half the present amount, and the result shown in the balance-sheet is therefore most satisfactory, having regard to the limited amount with which the directors were enabled to deal. The gross profit for the half-year amounts to £4,349. 12s. 11d., or at the rate of 26 per cent. per annum. This added to £784. 8s. 4d., the balance brought forward from last account, makes £5,134. 1s. 3d., and deducting current

expenses, leaves a balance of £2,349. 6s. 8d. Deducting rebate, at the rate of 12 per cent. per annum on all undue bills in Venezuela, and at 7 per cent. per annum on those in London, amounting together to £1,080. 16s. 5d., a net balance available for distribution remains of £1,268. 10s. 3d. This amount the directors propose to appropriate as follows, viz., to payment of a dividend for the half-year, at the rate of 5 per cent. per annum, free of income tax, £833. 0s. 8d.; and to reduction of preliminary expenses, at the rate of 10 per cent. per annum, £380; after which there will remain a balance of £55. 9s. 7d. to be carried forward to the next account. The figures in the balance-sheet, as compared with last account, show a considerable increase in the amount of business transacted, and evince the confidence which the bank is acquiring. This is particularly evident in the amount held on current and deposit accounts, which is more than double what it was in April last. The directors look forward with confidence to the permanent success of the bank, and to a large increase of profits available for distribution from the augmented capital now at their disposal, enabling them to develop the operations of the bank, without any material increase of expenditure. The directors have much pleasure in informing the proprietors that no loss of any kind has been made by the bank; nor, it is believed, is there a single bad or doubtful security in its possession. As a large margin of profit can be made on money deposited in London, even after allowance of a liberal rate of interest thereon, the directors invite the shareholders, as partners in the bank, to use their individual influence in introducing this description of business. The directors, having regard to the increasing business of the bank, have acquired permanent offices at No. 9, Tokenhouse Yard. If the dividend proposed be approved by the meeting, the warrants will be ready for delivery to the shareholders on Monday, the 4th day of December.

Balance-sheet, October 31st, 1865, including Caracas Account to Sept. 30th, 1865.

Dr.

Paid-up capital—5,000 shares at £12. 10s.	...	...	...	£62,500	0	0
Note circulation £71,500	...	...	...	11,000	0	0
Current and deposit accounts	...	...	...	34,149	17	4
Bills payable and letters of credit	...	...	...	24,871	18	3
Balance of profit and loss account	...	...	...	2,349	6	8
				<u>£134,871</u>	<u>2</u>	<u>8</u>

Cr.

Cash and notes in hand, at bankers', and on deposit	...	...	£49,020	18	1
Bills receivable	...	...	68,083	10	10
Advances on security	...	...	8,333	15	0
Balances due from agencies at La Guayra and Porto Cabello...	...	...	629	12	8
Office fittings, furniture, &c., London and Caracas	...	...	1,237	8	2
Preliminary expenses	...	...	7,565	17	6
			<u>£134,871</u>	<u>2</u>	<u>3</u>

PROFIT AND LOSS ACCOUNT.

Dr.

Current expenses for the half-year (including directors' remuneration, salaries, stationery, rent, &c.) in London and Caracas	...	...	£2,784	14	7
Rebate on bills not yet due	...	...	1,080	16	5
Carried forward.....			£3,865	11	0

	Brought forward...	£3,865 11 0
Dividend proposed at the rate of 5 per cent. per annum for the half-year, and income tax thereon ...	...	833 0 8
Reduction of preliminary expenses, at the rate of 10 per cent. per annum ...	...	380 0 0
Balance carried forward ...	...	55 9 7
		<hr/> £5,134 1 3 <hr/>
<i>Cr.</i>		
Balance, May 1st, 1865 ...	...	£784 8 4
Gross profits of the half-year, after paying interest on customers' balances and discounts...	...	4,349 12 11
		<hr/> £5,134 1 3 <hr/>

VICTORIA FINANCE AND BULLION ASSOCIATION OF BOMBAY, LIMITED.

AN extraordinary general meeting of the shareholders of the company was held on the 23rd of October, when a large number of shareholders were present. Damodhur Jettabhoy, Esq., chairman of the association, was in the chair. Mr. Keir, of the firm of Messrs. Keir and Ramsden, solicitors to the company, was also present.

The following resolutions were moved and carried unanimously:—

Proposed by Mr. Ambaram Kevulram, and seconded by Mr. Anundjee Govindjee, "That the resolution passed at the meeting of the 9th of August last, that the company be wound up voluntarily, be confirmed."

Proposed by Ambaram Kevulram, and seconded by Mr. Vishram Govindjee, "That Mr. Damodhur Jettabhoy and Mr. Ghellabhoy Jairam be appointed liquidators."

Proposed by Mr. Mahomed Ibrahim Purkar, and seconded by Mr. Vishram Govindjee, "That the remuneration of the liquidators shall be two per cent. upon all moneys received by them."

Proposed by Mr. Nowrojee Dadabhoy, and seconded by Mr. Ambaram Kevulram, "That the thanks of the meeting be given to the chairman, the manager, and the solicitors of the Company."

The meeting then dispersed.

OTTOMAN FINANCIAL ASSOCIATION, LIMITED.

AN extraordinary general meeting of the shareholders of this company was held on the 20th of November, at the London Tavern, for the purpose of "taking into consideration certain propositions for an amalgamation;" Mr. Kitson in the chair.

The Secretary having announced that the preliminary arrangements for the amalgamation were not sufficiently matured to be taken into consideration at that meeting, and that an adjournment would be necessary,

The Chairman explained that at the time the meeting was called, the directors thought they would be in a position by then to present to the shareholders such an arrangement as they could adopt with advantage, but although the arrangements had not been brought to that point which they expected, still he thought it right to inform them that no adverse circumstances had arisen. The negotiations were still pending and advancing

favourably. No obstacles had been thrown in the way. It was simply because sufficient time had not been given to bring the negotiation to a conclusion. He hoped, however, that by the 5th of December, to which day he would propose an adjournment, everything would be in readiness, and that an arrangement would be submitted to them of a satisfactory character.

Some slight discussion ensued, in the course of which information was sought as to the name or character of the company with which the proposed amalgamation was to take place, and also as to how the adjournment would affect the call which had been made.

The Chairman thought it would not be wise at that stage of the proceedings to give the information respecting the company with which their undertaking was about to amalgamate. At the meeting on the 5th of December, however, they would be supplied with all information, and he had no doubt that the other company would by that time be in existence. Respecting the call, it was made for the purpose of giving effect to the arrangements for the amalgamation. There was, however, no intention of enforcing that call until these arrangements were complete, so that no interest would accrue through non-payment on the date specified, and the shareholders would attend the meeting on the 5th December precisely in the same position as to-day.

The explanation seemed to give general satisfaction, and on the motion of the chairman the meeting adjourned till Tuesday, the 5th December.

FINANCIAL ASSOCIATION OF INDIA AND CHINA.

THE following circular, with statement attached, has been circulated among the shareholders of this association :—

“ Sir,—I am instructed by the board of directors to hand you herewith copy of balance-sheet and profit and loss account of the association for half-year ending 30th ultimo. Although the articles of association only require the books to be balanced once a year, the directors have thought it advisable to institute a special investigation into the state of the company's affairs at the present time, with the view of ascertaining to what extent it had suffered from the effects of the recent commercial crisis in Bombay; and the result of this investigation is now published for the purpose of satisfying shareholders as to the soundness of the company's present position. In addition to the accompanying accounts, the directors have caused a very careful estimate to be made of the probable losses arising on the outstanding transactions of the association, from which it appears that the probable total loss will amount to Rs. 13,95,461-15-9, to meet which there is at the credit of reserve fund Rs. 10,00,000, and at the credit of profit and loss account Rs. 6,07,204-9-8, showing a probable surplus of Rs. 2,11,742-9-6 remaining at the credit of these two accounts. This estimate is, of course, subject to increase or diminution according as the transactions involved may realise a larger or smaller amount than that at which they have been valued; but the directors confidently anticipate that the ultimate result of these realisations will be even more favourable than the estimate here presented. The sum of Rs. 10,00,000 at the credit of reserve fund at 31st March last, having been deposited for fixed periods with the Commercial Bank of India, Asiatic Banking Corporation, and the Royal Bank of India, in terms of the intimation made to that effect at the general meeting of shareholders held on the 10th April last, and having been thereby excluded from the ordinary business operations of the association, the directors think it right to intimate their intention

of withdrawing the same at the earliest opportunity, and employing it towards meeting the losses which the company has sustained. The directors regret to announce that Mr. Cowasjee Jehangeer Readymoney has been compelled, from ill-health, to resign his seat at the board, but they have the pleasure of announcing that his place has been supplied by the Honourable Rustomjee Jamsetjee Jejeebhoy, who has consented to act as a director, and who has been elected accordingly."

Balance-sheet for the Half-year ending 30th September, 1865.

LIABILITIES.			
Paid-up capital	...	Rs.	60,00,000 0 0
Reserve fund	...		10,00,000 0 0
Amount of fixed deposits bearing interest	...		32,06,840 7 9
Unpaid dividends	...		32,500 6 6
Balance of rebate account	...		83,326 6 7
Balance of profit and loss account	...		6,07,204 9 3
			<hr/>
			Rs. 1,09,29,871 14 1

ASSETS.			
Investments	...	Rs.	4,19,590 0 0
Amount of loans on securities and bills discounted, including past due loans, bills, contracts, &c.	...		96,16,137 1 4
Balance on agency account	...		51,713 6 1
Do. suspense do.	...		33,442 12 10
Value of stamps on hand	...		1,518 4 0
Value of office furniture	...		5,904 0 0
Amount deposited in banks on account of reserve fund	...		10,00,000 0 0
Balances in banks	...		3,41,575 5 4
Cash	...		59,991 0 6
			<hr/>
			Rs. 1,09,29,871 14 1

Dr. Profit and Loss Account at 30th September, 1865.			
Amount transferred to reserve fund	...	Rs.	2,00,000 0 0
Dividend to 31st March, 1865, on Rs. 60,00,000	...		7,63,150 0 0
Income tax paid	...		46,941 14 0
Charges	...		51,676 6 4
Stationery	...		1,068 3 0
Brokerage	...		15,335 6 0
Loss on investments	...		2,76,596 5 0
Balance of profit at 30th September, 1865, carried forward to next account	...		6,07,204 9 3
			<hr/>
			Rs. 19,61,972 11 7

Cr.			
Balance brought forward from last half-year	...		15,64,730 4 10
Proportion of profit on shares brought for cash and sold for future delivery belonging to the period from 31st March to 1st July, 1865	...		1,71,992 0 0
Commission	...		11,370 3 7
Discount	...		55,830 6 4
Interest	...		1,55,370 6 10
Dividends received	...		570 0 0
Sundry profits, less sundry expenses	...		2,209 6 0
			<hr/>
			Rs. 19,61,972 11 7

ANGLO-EGYPTIAN BANK, LIMITED.

THE second ordinary general meeting of the shareholders of this bank was held on the 23rd November, at the London Tavern, Bishopsgate Street, to receive the report of the directors and a statement of accounts, to declare a dividend, and for general purposes. At two o'clock the chair was taken by G. G. M'Pherson, Esq., chairman of the board of directors, and governor of the Agra and Masterman's bank.

Mr. O. Foa (secretary) having read the advertisement convening the meeting, the following report was read:—

"The directors have much pleasure in presenting to the shareholders their balance-sheet for the first financial year.

"It shows a net profit of £67,344. 8s. 11d., or more than 16 per cent. per annum, on the paid-up capital, which, on the average, has been only ten months in the hands of the directors, and they have divided it in the following manner:—

1. Interim dividend paid for the first half-year, at 8s. per share	...	...	...	£16,000	0	0
2. Declared dividend for the second half-year, at 18s. per share	...	...	...	36,000	0	0
3. Repayment of preliminary expenses	...	...	...	10,703	6	8
4. Balance carried forward	...	...	...	4,641	2	3
				<u>£67,344</u>	<u>8</u>	<u>11</u>

"The shareholders will, no doubt, consider this result satisfactory, especially when it is remembered that the prevalence of cholera in Egypt was so great that business there was almost at a stand-still for some months.

"It will be gratifying to the shareholders to be assured that the bank has made no bad debts, nor experienced any losses whatever in its extensive transactions, notwithstanding the monetary crisis which caused so many failures in Europe, and more particularly in the East.

"The directors are glad to be able to state that the business of the bank progresses steadily; and as the prosperity of Egypt is largely increasing under the liberal and enlightened rule of His Highness Ishmail Pacha, the Viceroy, it is obvious that the prospects of the bank are most encouraging.

"By order of the board,

"OCTAVE FOA, Secretary.

"London, 15th November, 1865."

BALANCE SHEET.

Dr.

Capital paid up £500,000, less calls in arrear, £300, making a total of	...	...	...	...	...	£499,700	0	0
Bills payable	...	...	...	...	...	465,331	18	1
Account current and customers' balances	...	...	...	...	...	892,563	4	8
Rebate of interest	...	...	...	...	...	67,002	4	6
Unclaimed deposits	...	...	...	...	...	400	0	0
Profit and loss	...	...	...	...	...	67,344	8	11
						<u>£1,922,341</u>	<u>16</u>	<u>2</u>

Cr.

Cash in hand and at bankers', £15,675. 15s. 11d.; cash on deposit at bankers', £34,543. 7s. 10d.; cash at Alexandria, £84,526. 3s., £134,745. 6s. 9d.; bills receivable in London, £1,085,917. 11s. 10d.; bills receivable in Alexandria, £94,043. 16s., making a total of	...	...	...	...	...	...	£1,314,606	14	7
Accounts current and loans	...	...	...	...	...	...	550,938	18	3
Fixtures	...	...	...	...	...	...	92	16	8
Amount paid to Messrs. Pastré and Sinadino, for their business as per articles of agreement No. 10, in 8,000 shares of £12. 10s. paid up	...	...	...	...	...	...	100,000	0	0
Preliminary expenses	...	...	...	...	...	...	10,703	6	8
Interim dividend	...	...	...	...	...	...	16,000	0	0
							£1,992,341	16	2

Dr.

PROFIT AND LOSS ACCOUNT.

Interim dividend paid 10th April, at 8s. per share	...	...	...	...	...	...	£16,000	0	0
Dividend, at 18s. per share	...	...	...	...	...	...	36,000	0	0
Preliminary expenses	...	...	...	...	...	...	10,703	6	8
Balance to new account	...	...	...	...	...	...	4,641	2	3
							£67,344	8	11

Cr.

Amount brought down being net balance after deducting all current expenses, advertising, salaries, and all expenses of management, printing, stationery, directors' allowance, income-tax, &c.	...	...	...	...	...	...	£67,344	8	11
							£67,344	8	11
Balance brought down to new account	...	...	...	...	...	...	£4,641	2	3

The Chairman said that as the report had been for several days in the hands of the shareholders, it was not necessary that he should detain them by many observations, but in moving that it be adopted he wished to say one or two words on the condition of their affairs; and in the first place, he should say they had reason to congratulate themselves on the amount of profits they had earned during the past year, and especially that it was done in an exceptional year and under exceptional circumstances. He might remind them that shortly after the bank was set on foot the monetary affairs of this country were in a most unsatisfactory condition, and in process of time its effects were felt in Egypt. Public confidence was almost entirely destroyed, owing in a great measure to the enormous losses sustained by cotton, the consequence of which was the failure of many respectable mercantile houses both there and in this country. While this depressing influence was felt in Alexandria and Cairo, the cholera broke out and carried off an enormous number of people, and such was the panic created that all business was in a great measure suspended. Now, during the whole of this period their excellent manager in Egypt and colleague at the board, Jules Pastré, Esq., conducted their business without shrinking from any danger, and remained at his post amid the perils by which he was surrounded. (Cheers.) It might have been expected that a gentleman of his age and position would have hardly exposed himself to such dangers, but he remained at his post and conducted their business in the midst of every difficulty. (Cheers.) He mentioned this to the shareholders, because it was an act of courage and heroism not often performed, and thus the business of their bank was carried on during that frightful period without any interruption whatever. (Hear, hear.) With respect to the business of

the bank itself, he knew it was thought by many as of recent origin. That no doubt was quite correct as regarded London, but the bank in Egypt had been carried on for nearly forty years by the eminent firm of Messrs. Pastré Frères and Messrs. Sinadino & Co., of Alexandria. That business was transferred to the present company, and they were now carrying it on with the result seen by the dividend they were about to declare. (Hear, hear.) Their net profits during the year amounted to £87,844. 8s. 11d.; and if their preliminary expenses, amounting to £10,000, were considered excessive, and ought not to be paid off within the year, he should only say that he and his colleagues were of a different opinion, and especially in the belief that these expenses ought to be written off at once. (Loud cries of "hear, hear.") If their affairs turned out as fortunate during the coming, as they had been the last year, they would be enabled to set aside a sum of money for a reserve fund. (Hear, hear.) He was also happy to inform them that the bank made no bad debts during the year—a circumstance entirely owing to the able and efficient management of Jules Pastré and G. Sinadino, Esqrs., to whom, in consequence of their devotion to their interests, their thanks and gratitude were eminently due. (Cheers.) He did not wish to detain them by any further observations, and should simply move that the report of the directors be received and adopted, and that a dividend of 18s. a share be now declared.

Mr. Eugene Pastré seconded the motion.

A Shareholder was of opinion that the state of the bank was very satisfactory, and thought the directors acted very properly in writing off the preliminary expenses. (Hear, hear.) The condition of their affairs was mainly owing to the able management carried on in Egypt; and for his own part he could not help congratulating them on having a model manager, who never made a bad debt in so large a number of transactions.

The Chairman, in reply, quite agreed that it was well to be as specific as possible in regard to the expenses, assuring the shareholders at the same time, that those of the past year had been well bestowed, and could not have been made less without injuring the bank. The item of £100,000 to Messrs. Pastré and Sinadino consisted of 8,000 shares paid up to £12. 10s. and he intimated that after a reserve fund had been formed the board might consider the expediency of devoting a portion of it to the liquidation of that item. The rebate on bills not due was put down at £67,000, being calculated at the rate of 10 per cent., and although that would not be all profit, the balance, whatever it might be, would augment the profits of the next half-year.

Mr. Gerstemberg pointed out that the item of £100,000 paid for the business, was in reality more analogous to preliminary expenses than anything else, and he suggested that in addition to the reserve fund, which would probably be created by a new issue of shares at a premium, there should be a separate fund for the liquidation of the item in question.

Mr. Josephs observed that the item consisting, as it did, of shares, the holders were subject to all future calls and to the various incidents attending the position of shareholders. He preferred to see the sum treated as an asset, because it was in reality a portion of their fixed capital. Of course, if they chose to pay it off the dividends would be larger, inasmuch as the amount applicable for division would be divided among the holders of 32,000 instead of 40,000 shares.

The Chairman felt inclined to concur in the suggestion that a sinking fund should be formed for the purpose of liquidating the item; and he assured the meeting that the matter would have the serious attention of the board.

The report and accounts having been unanimously adopted and the dividend approved,

A vote of thanks was next moved and carried to the auditors, Messrs. Sawyer and Harvey, with a sum of £30 each.

Mr. E. Masterman next proposed a warm vote of thanks to Messrs. Pastré and Sinadino, their managers at Alexandria, for the manner in which they discharged their duties. It was most profitable and creditable to the shareholders to have dealings with men of such high honour and probity, and he therefore should move them a vote of sincere thanks.

Mr. E. Morrice thought a vote of that kind should come from the shareholders, and he for one had great pleasure in adopting and moving the vote of thanks proposed by Mr. Masterman.

Mr. Fawcett seconded the motion, and it passed unanimously.

Thanks were next voted to the chairman, the board of directors, the general staff, and to the auditors for their efficient supervision of the accounts; after which the proceedings terminated.

THE FLUCTUATIONS IN JOINT STOCK BANK SHARES.

The Commercial Circular published by Messrs. Seyd & Co. gives a very curious table of the variations in Joint Stock Bank Shares during the last three years; from this we extract the following, showing the results up to the end of October last.

Above 200 per Cent. Premium.

			When Established	Avg. 36 Months	Oct. 1865.
London and Westminster Bank	...	...	1834	339½	380
London Joint Stock Bank	...	...	1836	283½	240
Provincial Bank of Ireland	...	...	1825	258	238
Union Bank of London	...	...	1839	239	253
National Provincial Bank of England	...	...	1834	233½	267
National Bank	...	...	1835	224	217
London and County Bank	...	...	1836	211	287½
Asiatic Banking Corporation	...	...	1863	266½	280
(6 Months' quotations.)					

Above 100 per Cent. Premium.

Bank of London	...	...	...	1855	187½	181
Consolidated Bank Limited	...	...	...	1862	164½	150
Bank of England	...	...	...	1694	139	149
Bank of New South Wales	...	...	...	1817	139	120
Agra and Masterman's Bank Limited	...	...	...	1833	136	130
City Bank	...	...	...	1855	126½	123
Chartered Mercantile Bank of India, London and China	...	...	...	1854	125½	100
Union Bank of Australia	...	...	...	1837	116½	120
Bank of New Zealand	...	...	...	1861	108½	65

Above 50 per Cent. Premium.

Bank of Australasia	...	...	...	1835	85	80
North Western Bank Limited	...	...	...	1864	83½	47
National Bank of Liverpool	...	...	...	1863	81½	60

Fluctuations in Joint Stock Bank Shares.

1879

		When Established.	Avrg. 36 months.	Oct. 1865.
Imperial Ottoman Bank Limited	...	1862	79	65
Alliance Bank Limited	...	1862	65½	28
Bank of Victoria	...	1852	65½	76
Colonial Bank	...	1836	64½	68
Chartered Bank of India, Australia, and China	...	1853	60	22½
South Australian Banking Company	...	1841	52	40

Above 25 per Cent. Premium.

Merchant Banking Company Limited	...	1863	43	6
Imperial Bank Limited	...	1862	42½	47½
Land Mortgage Bank of India Limited	...	1863	35½	12½
East London Bank Limited	...	1863	33	Par.
Delhi and London Bank Limited	...	1844	32	36
Brazilian and Portuguese Bank Limited	...	1863	30½	5
London Chartered Bank of Australia	...	1852	30½	25
Commercial Bank of India and the East	...	1845	28	24
English Joint Stock Bank Limited	...	1865	26	25
London and Brazilian Bank	...	1862	25½	9

Above 10 per Cent. Premium.

London, Buenos Ayres, and River Plate Bank Limited	...	1862	23	37½
London and South African Bank	...	1860	19½	15
Anglo-Austrian Bank	...	1863	16	8½
Bank of Egypt	...	1856	14½	24
Mercantile Exchange Bank	...	1863	12½	45
Metropolitan and Provincial Bank	...	1861	11½	20
Bank of British Columbia	...	1862	11	15
Ionian Bank	...	1839	10½	4

Above Par per Cent.

Scinde, Punjaub, and Delhi Bank Corporation Limited	...	1862	7½	40
English, Scottish, and Australian Chartered Bank	...	1852	7½	5
Midland Banking Company	...	1863	5½	10
Standard Bank of British South Africa	...	1862	5½	40
Bank of Hindustan, China, and Japan Limited	...	1862	4	20
Anglo-Egyptian Bank Limited	...	1864	2½	12

At Discount to 10 per Cent.

London and South Western Bank Limited	...	1862	1	5
English and Swedish Bank Limited	...	1864	2	25
European Bank Limited	...	1863	2½	20
London Bank of Mexico and South America Limited	...	1864	2½	3½
Bank of Otago Limited	...	1863	3½	22
New Zealand Banking Corporation Limited	...	1863	3½	25
Bank of British North America	...	1836	3½	8
Oriental Commercial Bank Limited	...	1865	7	7
Anglo-Italian Bank Limited	...	1864	8½	13
Eastern Exchange Bank Limited	...	1864	9½	20

When . Avgs. 36 Oct.
Established Months 1865.

At Discount below 10 per Cent.

Bank of Queensland Limited	1862	13½	14
Union Bank of Ireland Limited	1862	14½	26
British and Californian Bank Limited ...	1864	18½	40
International Bank Limited	1864	26½	45
Provincial Bank Corporation Limited ...	1864	27½	40
Albion Bank Limited	1864	30½	25
London and Venezuela Bank Limited...	1864	37½	12

The following banks are not quoted at present on the London Stock Exchange. They are generally branches or agencies of highly respectable Scottish, or Australian, or Indian Banks, whose head-quarters and Shareholders are not in London :—

National Bank of Scotland Branch (one of the first Scotch Banks)

Commercial Bank of Sydney

Royal Bank of India

National Bank of Australia

Central Bank of Western India

London and Bombay Bank

The following banks are either not quoted on the Stock Exchange, or their affairs are not sufficiently developed :—

General Exchange Bank Limited (lately London, Hamburg and Continental Bank)

Challis's Banking Company Limited

Universal Banking Company Limited

Royal Military and Naval Bank Limited

Madrid Bank Limited

The following banks cease to exist :—

South Eastern Bank Limited changed its name to English Joint-Stock Bank Limited WHEN ESTABLISHED.

Anglo-Portuguese Bank Limited ...	1863	} have amalgamated with other Banks on fair and equal terms.
English, Belgium and Netherlands Bank Limited	1863	
Imperial Bank of China and Japan ...	1862	
London & South American Bank Limited	1862	
Mexican Bank Limited	1864	
Union Bank of England & France Limited	1862	
Bank of Wales Limited	1863	} have amalgamated with other Banks on more or less unfavourable terms.
Continental Bank Corporation Limited	1862	
London, Birmingham and South Staffordshire Bank Limited	1862	
English and Irish Bank Limited ...	1862	
London, Hamburg and Continental Bank Limited	1863	} formed into International Bank.
London and Mediterranean Bank Limited	1865	
British and American Exchange Bank Limited	1863	
London and Colonial Bank Limited ...	1863	
London Bank of Scotland	1863	} are winding up.
London and Scottish Bank Limited ...	1864	
Scottish and Universal Finance Bank Limited	1864	
London and Middlesex Bank	1862	

Total increase and total value of the paid-up banking capital of joint stock banks in London (including the Bank of England).

NOVEMBER, 1862.

Capitals paid-up, £32,363,000.

Value as per quotations, £69,799,000.

An average of 116 per cent. premium.

OCTOBER, 1865.

Capitals paid-up, £53,998,000.

Value as per quotations £106,995,000.

An average of 98 per cent. premium.

The increase in the amount of capital employed is 67 per cent., but the corresponding increase of value so far is only 53 per cent. Some three or four banking companies, who have not succeeded in amalgamating in time, are being wound-up, and the losses of these may amount to say half-a-million, which ought to be included in the above. It must also be borne in mind that in 1862, some three or four private banking firms had not yet become joint stock companies, and further that a very large portion of the new capital is employed in colonial and foreign banking interests.

BOMBAY CHAMBER OF COMMERCE.

THE RIGHTS OF EXCHANGE BANKS WITH REFERENCE TO DOCUMENT BILLS.

A SPECIAL general meeting of the members of this Chamber of Commerce was held in October to consider the question which has lately arisen in England as to the rights of exchange banks in reference to document bills. Mr. A. J. Hunter (of Messrs. W. and A. Graham & Co.) occupied the chair, and about twenty other members were present.

The Chairman said the meeting had been called in consequence of his receiving a requisition to do so from some of the principal merchants of Bombay. He would not occupy the time of the chamber by making any lengthy remarks upon the subject which the meeting was called to discuss, as Mr. Andrew Grant, one of the signers of the requisition, was present, and he would no doubt enter fully into the question; but he (the chairman) might mention that he had obtained copies of the letters of hypothecation used by all the banks of Bombay. These he might divide into four classes, although with the exception of that used by the Asiatic Banking Corporation, they were very much alike. In the first class were the Oriental and other banks, which, on default of payment of hypothecated bills at maturity, retained the right of selling the goods, or a part of them, and applying the proceeds in payment; or, in other words, if payment is tendered at maturity the bank is bound to give up the documents to the acceptor. In the second class, a great many banks had the same clause as the Oriental; but, in addition, they retained the right of selling the goods in the case of the bankruptcy of the drawee. In the third class were banks which retained the right of selling in case of the bankruptcy of the drawer, provided the drawee, on being required to do so, does not furnish further security to the said bank. In the fourth class was the Asiatic Banking Corporation, which retained the right, in the event of the failure of any of the parties to the bill, to sell the goods and retain

the balance as security for other bills due to the bank. The usual meaning attached to letters of hypothecation he believed to be substantially the same as giving security for a loan—goods were tendered as security along with the documents, and they were handed back when the money was returned. This was the basis upon which such transactions were usually accomplished; but the proceedings of the Asiatic Banking Corporation were totally opposed to this principle. With the exception of that bank and the Central Bank of Western India, none of the banks in Bombay asserted any right to retain documents, provided payment is tendered by the acceptor of the bill. The question thus became one between the parties selling the bills and the bank; and the proper course would be not to sell to any bank having such monstrous clauses in its letters of hypothecation. The remedy lay in people's own hands, and if they refused to deal with such banks, then the latter, in their own interests, would be obliged to discard such clauses altogether. The chairman concluded by reading the following extract from the hypothecation letter of the Asiatic Banking Corporation:—

“We further authorise the Asiatic Banking Corporation, or any manager or agent thereof, on default being made in acceptance on presentment or in payment at maturity of any of the above bills, or charges pertaining to the same, or should the drawees or any of the parties to such bills, prior to the maturity of the said bills, have suspended payment, have become bankrupt or insolvent, or have compounded with their creditors, or have signed a deed of inspectorship, to sell the said goods or a competent part thereof at any time thereafter, without waiting for the maturity of the bills, and without either notice to or concurrence on the part of any person or persons, and to apply the net proceeds (after deducting usual commission and charges) in payment of such bills with re-exchange and charges; and we authorise the corporation to hold and retain the goods while unsold, and the balance of the net proceeds when sold, as security for and towards the payment of any other bill or bills, which any of the managers or agents of the said bank may have purchased from us, or towards the security or liquidation of any claim the bank may have upon us, or otherwise to be at our disposal.”

Mr. Andrew Grant (of Messrs. Campbell, Mitchell & Co.) said he considered the subject which the Chamber had met to discuss to be one of very great importance to the mercantile community; for it was one which, if not settled at once in a satisfactory manner, might lead to embarrassment and mischief of which it was impossible to see the end. There was nothing, they would all admit, more prejudicial to business generally, or which cut at the root of credit and confidence, than any doubt arising between merchants and their bankers. The bankers who had taken action in this case might say to us—“If you look at the papers you have signed you will see we have done nothing but what we are entitled to do by this hypothecating document;” but the mercantile community were bound to take into consideration the suspension of mercantile usage in this transaction; and all would agree with him that the usage of Bombay had been, that when documentary bills were taken up either by the party on whom they are drawn and accepted, or any other party for the honour of the drawer, when the acceptor was not able to take them up at maturity, it was the custom of the bank to surrender the security which had been lodged with them against these documentary bills. And it stands to reason that such should be the case: for if one merchant was always doing business with the same merchant at

home, it might be reasonable for a bank to say—"We are in such and such a position, and will retain the security we hold and place it against your other obligations;" but there were thousands of other cases in which the acceptor and the drawer of a bill were different from day to day. He might cite as an illustration, the case of a merchant in England sending an order for cotton to a merchant in Bombay, and telling him to draw against the cotton—supposing the price to be £20 a bale—to the amount of £12, and to draw clean bills against the balance. Both being accepted, the documentary bills were given as security, and the merchant in England expected to receive his cotton on payment of the other £12 a bale to the bank; but supposing the cotton had risen to £25 a bale, the bank stepped in and said—"We will keep your cotton and place the money to the credit of the drawer." Now, was not this a very hard case for the owner of the cotton? On tendering the money for the documents he had paid £8, but when he offered to pay the other £12, he was staggered when he was refused and told that the £25 was to be retained against some bill which he owed to the bank. Many things had occurred during the last twenty years to consignees at home; but the owners of documentary bills always trusted to the usage of those bills being given up to them when the money was paid. Just let them imagine the position of a merchant when a bank retained his documents on account of some transaction which he never heard of! Why, if the determination which two of the Bombay banks had expressed on this subject were acted on, the mercantile community would be led into the greatest embarrassment. He thought the Asiatic Banking Corporation had gone further than any other bank would be inclined to go; and as a proof of this he might mention a case which had occurred to himself. One day a native called on him and said he had consigned a quantity of cotton to a firm in Liverpool; but as it had suspended payment, he wished the documents to be sent to his (Mr. Grant's) agents there, and the cotton sold on his account. In his ignorance of any obstacle in the way, he made arrangements for the cotton being sold, and a power of attorney was sent to his agents at Liverpool. The agents went to the Asiatic Bank and asked to have the documents surrendered to them on payment being tendered; but the bank said that owing to the failure of the drawee, they intended to exercise the right contained in their letters of hypothecation, and to sell the cotton and apply the balance in liquidation of the drawee's obligations to them. Now this was rather a stretch of authority. The chairman had told them that the Asiatic and Central Banks intended to push their determination so far as to retain documents when it suited them to do so, and to sell the goods to which they related to cover other liabilities. This course placed exchange banks in a different position to that they formerly occupied. They announced that it was by exchange to which they looked to make their profits: but if they acted as they said, we should hear of them becoming cotton merchants, and buying or selling document bills as they thought the cotton market would be higher or lower at home. He thought the chairman's remarks very much to the point, and he also thought that if some of the bankers of Bombay were going to pursue such an eccentric course, the merchants must bind themselves together and say to them—"If you are going to act in this manner, we must transact our business elsewhere." Were the merchants to act in this manner, the banks would very soon come to their senses. He thought that if the Committee of the Chamber were to place themselves in communication with the banks in question, and explain to them the hardship

which such a course as they were pursuing entailed, they would see how desirable it was, for their own interests, to return to the custom which formerly prevailed between the mercantile community and the banks of Bombay—that when the bills were taken up by the acceptor, or by the agent of the drawer, at the time of maturity, the bank was bound to deliver up all the documents which were lodged with it as collateral security. If the committee would do this, and explain what the feeling of the mercantile community was on the matter, he thought they would abandon their present course, and adhere to that which had hitherto been followed in Bombay.

The Chairman said he knew a case where the drawer of a bill was solvent, but the drawee became bankrupt; and the bank refused to give up the surplus of the amount due to the drawee. The case of Dewjee Premjee had also been brought to his notice. This gentleman consigned a quantity of cotton to two firms in Liverpool, both of whom failed, and on his writing home to the firm of David Sassoon and Co., asking them to take up the bill for his honour and receive the documents, the bank refused to allow them to do so, and paid the money to the liquidation of the debts of another firm. It was a great hardship to prevent the owner of the goods from receiving them on payment, and making him responsible for debts with which he had nothing whatever to do; but by the letters of hypothecation he thought the bank was justified in doing so.

Mr. Peter Adams (of Messrs. Edward Bates & Co.) pointed out that by letters of hypothecation the interests of endorsers were not adequately protected. It seemed to him that the bank should be in a position to secure the proceeds of goods in case of default of payment at maturity, but still he thought that it should hold the defaulting party responsible for any loss which might accrue to the endorser.

Mr. Alexander Brown (of Messrs. W. Nicoll & Co.) concurred in what had been said about the objectionable nature of letters of hypothecation of the Asiatic Banking Corporation; but he thought there would be some delicacy in the Committee of the Chamber remonstrating with them on the subject. He thought it would meet the case if the meeting expressed its opinion of the bank's departure from the mercantile usage of Bombay, and of the hardship which it entailed upon parties selling document bills.

The Chairman said, that as the whole affair was merely a private transaction between the bank and its customers, the Chamber had no right to interfere. All they could do was simply to pass a resolution expressing their opinion that the course pursued by the bank was contrary to the usage and to the individual interests of the mercantile community. He therefore begged to move the following resolution:—"Resolved—That in the opinion of the Chamber the course adopted by the Asiatic Banking Corporation and the Central Bank of Western India in refusing to receive payment of bills from any of the parties to the same, and to deliver up shipping documents hypothecated to those banks as collateral security therefor, is contrary to mercantile usage, and tends to obstruct business and interfere with mercantile confidence. That the Chamber leave the committee to take whatever steps they may consider necessary for the protection of its members and the public."

Mr. Andrew Grant seconded the resolution, which was carried unanimously, and the meeting broke up.

THE REDUCTION OF THE BANK RATE OF DISCOUNT.

WHILST everybody a fortnight or three weeks ago was expecting, if not an advance in the rate of discount, at least a maintenance of the official *minimum*, the accounts of the Bank have so rapidly improved that there has been a reduction of 1 per cent. From 7 the quotation has gone back to 6, and now some people are sanguine enough to imagine that it may go to 5 per cent. We ourselves are not so sure of that, because, although there is not much activity in the open market, the Bank, through the payments on account of the revenue, &c., possess the principal of the resources, and they, for the moment, command the best business. If it is therefore recorded that the Bank is absorbing the principal discount transactions, whilst out of doors the brokers and others are doing next to nothing, it will be quite sufficient to support the price even should it not eventually lead to an advance.

The Bank of France, simultaneously with its reduction from 7 to 6 per cent., placed their rates from 5 to 4 per cent., and that establishment stands in a more favourable position than it did a week or two ago. There ought to be now, in both establishments, a steady return of money from the provinces, whither a large amount of notes and coin is always sent in the autumn to assist in the development of agricultural operations. Besides this, in our own case, we shall have the reflux of sovereigns from Ireland, and the excess of the arrivals from America, West Indies and Australia, beyond what may be required for export to India and the East.

Nevertheless, we are now steadily approaching that period of the year when money is required for the completion of every kind of engagement, and when the rate is more likely to be supported than decreased. Should the quotation, by any fortuitous combination of circumstances, recede to 5 per cent., it will assist greatly to carry over satisfactorily the final operations of December. But it must also be remembered that a reduction will be calculated to give a stimulus to the introduction of fresh loans, fresh companies, from a surfeit of which we are now suffering, and the securities connected with which greatly embarrass the ordinary course of transactions at the Stock Exchange.

With the rate remaining at 6 per cent. no great inconvenience will now be experienced by the commercial public, and the maintenance of this price will be a check to the organization of undertakings which make capital temporarily unproduc-

tive and lead to renewed speculation, and finally to a collapse. A word of advice to promoters and others will be to delay any large number of schemes till the spring, when the money market generally may be in a much more healthy state to receive them.

BANK OF TURKEY

THE Ottoman Company, Limited, invite applications for the capital of the Bank of Turkey, Limited. The amount is £1,000,000, in 20,000 shares of £50 each, with power to increase. The first issue is to be 10,000 shares. The deposit is placed at £1 per share on application and £4 on allotment; the calls not to exceed £5 per share, and at intervals of not less than three months. It is stated that this company is formed at the express solicitation of merchants and others engaged in trading and monetary operations in the Ottoman empire, for the purpose of extending to the community of Turkey that legitimate aid which in more favoured countries is rendered necessary to commerce by well-conducted banking institutions. The Imperial Ottoman Bank is the only bank in Turkey, and therefore, it is contended, there is plenty of room for other similar institutions.

CONVERSION OF THE OTTOMAN DEBT.

THE General Credit and Finance Company of London, Limited, have received the following notice from the Imperial Ottoman Government for publication. It will be perceived it allows an extension of time for the progress of the conversion. It is stated that the conversion of the internal debt of the Ottoman empire had reached nearly 21,000,000 sterling at that date:—

[Translation.]

“CONVERSION AND UNIFICATION OF THE INTERNAL DEBTS OF THE OTTOMAN EMPIRE.

“Official Notice.

“The Imperial Government, taking into consideration the circumstances which have impeded the progress of the conversion, principally the cholera which has scourged Constantinople, and the unforeseen delay in the fabrication of the bonds of the general debt, has determined not to enforce the reduction of 10 per cent., which was applicable in virtue of the terms of article 11 of the law of the 19th (31st) March, 1865, to the securities presented for conversion after the period of three months, and during the second period of one month and a half determined by said article.

“In consequence the securities of the internal debt will continue to be received for conversion, without reduction, up to the 19th (31st) December 1865, on the same terms, in the same form, and at the same places as before.

“At the expiration of this last period the operations of the conversion will be closed irrevocably.

“Five days after the definite closing the coupons for interest due on

the non-converted securities will be paid at Constantinople, and the bearers will be entitled to interest on those coupons from their due date to the day of payment at the rate of 6 per cent. per annum.

(True copy.)

(Signed)

ABRO, Commissioner.

"Nov. 15, 1865."

CREDIT FONCIER AND MOBILIER OF ENGLAND.

A SPECIAL audit of the accounts of the Credit Foncier and Mobilier of England has just been effected, and the following is a copy of Messrs. Quilter, Ball and Co.'s report:—

"3, Moorgate street, Nov. 23.

"At the request of the court of directors of the Credit Foncier and Mobilier of England Limited, we have examined the company's account books, and such other documents as we have thought necessary for the purpose of testing the accuracy of the balance-sheet and profit and loss account, dated the 30th September, 1865, annexed to the report presented to the shareholders at the general meeting, held the 24th October, 1865. The results of our examination enable us to certify as follows:—1. That the accounts so presented are in due accordance with, and form a correct summary of the company's books, and that the books are accurately kept and upon a proper system. 2. That the securities comprised in the balance-sheet are duly held and accounted for. 3. That in estimating the value of the securities as stated in the balance-sheet, they were taken at prices rather below the quotations appearing in the official lists of the Stock Exchange of the 30th September, 1865, and that on the basis of such valuation of the securities, the profit and loss account of the 30th September, 1865, exhibits a correct view of the profit results of the company's operations to that date. 4. That the commissions paid to the directors and managing director, by way of remuneration for their services, have been strictly within the limits of the provision made for that object by the company's deed of association.

(Signed)

"QUILTER, BALL & Co."

TENDERS FOR BILLS ON INDIA.

THE biddings for 35,00,000 rupees in bills on India took place on the 2nd November at the Bank of England. The proportions allotted were—To Calcutta, 19,16,000 rupees; to Madras, 5,84,000 rupees; and to Bombay, 10,00,000 rupees. The minimum price was as before—1s. 11½d. on Calcutta and Madras, and 1s. 11¾d. on Bombay. Tenders on Calcutta and Madras at 1s. 11¾d. will receive about 52 per cent., and on Bombay at 2s. 0½d. about 17 per cent., above these prices in full. Further biddings took place on the 16th November. The proportions allotted were—To Calcutta, 26,38,000 rupees; to Madras, 15,000 rupees; and to Bombay, 10,00,000 rupees. The minimum price was as before—1s. 11½d. on Calcutta and Madras, and 1s. 11¾d. on Bombay. Tenders on Calcutta and Madras at 2s. will receive in full, and on Bombay 2s. 0½d.; about 20 per cent. above these prices in full.

LONDON AND MIDDLESEX BANK.

THE following circular has been issued to the shareholders of the London and Middlesex Bank, Limited, in liquidation :—

"Sir,—I am instructed by the directors of the London and Middlesex Bank, Limited, to inform you that they are enabled to make a further return to their shareholders, in respect of the capital of the bank, at the rate of £1 per share, and that you may receive the amount due upon the shares registered in your name on application here any Monday or Thursday in the month of November or December next, between the hours of ten and three o'clock. It will be necessary that you should forward your share certificates for examination a few days before you apply for the amount due upon them. The liquidation of the bank is now almost completed, and when a final settlement can be arrived at any balance remaining will be distributed with a statement of account.—I am, Sir, your obedient servant,

"OSWALD HOWELL, Accountant.

"54, Bishopsgate Street Within, London, E.C.,

"Oct. 30, 1865."

BANK AMALGAMATION.

The English Joint Stock Bank, Limited, has absorbed the business of Messrs. Olding, Osborne, and Co., of Clement's Lane. By this arrangement the English Joint Stock Bank becomes a London bank, having hitherto carried on a country business only. Two of the partners of Olding, Osborne and Co., viz., Mr. Louis Courtauld and Mr. Stephen Olding, join the direction of the bank, the subscribed capital of which is £403,725, and the paid-up capital £161,490. The arrangement has been completed through the death of one of the partners of Messrs. Olding. The general business of the English Joint Stock Bank is now conducted at the new building in Clement's Lane recently erected. Mr. Courtauld and Mr. Olding will conduct the London business. The private firm of Messrs. Olding, Osborne and Co. was established in 1762, and the chief partner in it for a lengthened period was Mr. Samuel Rogers; the house being then Messrs. Rogers, Olding and Co.

Communications.

To the Editor of the "*Bankers' Magazine*."

PROFITS OF ENGLISH BANKS.

London, 14th November, 1865.

SIR,—In your number of this month, a correspondent signing himself "H," makes some inquiries as to the practice of some English banks of charging interest on their customers' cheques from the date on which such cheques are drawn, instead of that on which they are paid.

In reply, and for the benefit of those establishments who follow this custom, permit me to submit the following extracts bearing on the subject:—

A banker has no right to debit the customer who draws a cheque from the date at which it is drawn; he is bound to make the entry as of the date when the cheque was cashed." (Grant on Banking, 2nd edit., page 89.) "It has not been unusual for bankers to enter cheques in the pass-books as of the date when they were drawn, and not as of the date when they were actually paid, and to calculate interest accordingly. But a banker should debit his customer, not from the date of the cheque, but from the time of payment." (Byles on Bills, 8th edit., page 25.)

I am, Sir, your obedient Servant,

J. D. F.

14th November, 1865.

SIR,—With your permission, and with all deference, I will undertake to justify the practice challenged by your correspondent "H." under the head of "Profits of English Banks."

I should infer that he is not a banker, because, if he were, he should know that in the course of business, as now existing, the banker would soon be very seriously damaged were he to adopt the practice suggested of charging his customer interest only from the date on which the drafts appear to the debit in the ledger; and for these two very potent reasons, amongst others—first, that in the case of an establishment having branches and a London agent (a country bank particularly for instance), the cheques which reach it every morning in the several remittances by hundreds, have all been given credit for to the parties paying them in, or have been cashed out of the tills of the establishment somewhere, one, two, and often three days before, as the case may be; and, secondly, that since the establishment of the country clearing office, the banker who receives cheques upon another country bank has to give credit for them on the day of receipt, whereas he has to wait from three to four days before they appear at his credit with his London agents.

Now, surely your correspondent is not prepared to argue that the customer (who, let it be fully borne in mind, from the moment he has issued his cheque, has ceased to have any property or control in it, and is liable to have his account charged with it on that same or any subsequent day), is entitled to benefit in interest from the delay necessary for transmission, or even from any delay in presentation through other accidental causes! You will see, I think, sir, that at least it is not the drawer of the cheque who has any *locus standi* for claiming the intervening interest, but the holder, whether he be one of the general public, or, what is much more commonly the fact, the banker who has first received the cheque. Whether the interval be long or short, it is quite clear that by no force of logic can the drawer show either that he is damaged by being charged interest from the date of his cheque (i.e., the date on which he gets a discharge for the payment for which it was given), or that bankers, as a community, derive any undue "profits" from the practice.

Our Scotch neighbours, whose keenness in all matters of business is world-wide known, do not need to be made alive to this, I'll warrant me.

The date of a cheque is legally the presumed date of issue and of payment, though there may occasionally be some peculiar and special cases otherwise; but they do not come within the range of this argument.

I therefore strongly counsel all bankers to continue adhering to this most reasonable, and, indeed, essential mode of self-protection, and those who have not hitherto adopted it, I recommend to do so forthwith.

I am, Sir, yours respectfully,

A BANKER.

A BANKER'S LIBRARY.

SIR,—I should much like to see a banker's library established in London for the use of bankers and their employes throughout the kingdom.

Being engaged in a country branch of a joint-stock bank I have no means of doing much towards so desirable an end, but believing you will kindly insert this letter in your next month's impression, I have a hope it may come under the eye of some one or more persons who would be glad to see such a thing established, and have the means at command to enrol others interested in such an object. I can only say I should be a most willing subscriber, and I have very little doubt it would be a success. Banking works are very expensive, and you must know the salaries of employes are not large enough to afford them.

I am, Sir, your obedient servant,

W. W.

BRANCH BANK CHEQUES.

Wells, 7th November, 1865.

SIR,—In reply to your correspondent "T. I." I can from my own knowledge affirm that there were no special grounds affecting the case I quoted as being decided in the Queen's Bench.

I leave it to your correspondent "W. I. A." to explain how the interpretation of the law he has received can be considered otherwise than "false and absurd" in the face of the decision of a superior court, supported as it is by the universal practice of country bankers.

Yours faithfully,

H. G. MARSHALL.

BANKING PRACTICE.

London, 1st November, 1865.

SIR,—In reply to your correspondent "H.," whose letter appeared in your November number. It is the rule of London as of all other bankers to debit the account of their customers with the amounts of their cheques on the day such cheques are paid; it could not be otherwise, or the bank books would be in endless confusion.

Yours, &c.,

A. D. H.

Mullingar, 20th November, 1865.

SIR,—I beg to subjoin, for the information of your correspondent "H." in your last number, the law as quoted in "Grant's Law of Bankers and Banking," page 94.

"A Banker has no right to debit the customer who draws the cheque from the date at which it is drawn; he is bound to make the entry as of the date when the cheque was cashed."

Your obedient servant,

A SUBSCRIBER.

THE LEEDS BANKING COMPANY.

Winchester, 17th November, 1865.

SIR,—Permit me to draw the attention of your readers to the decision of the Vice-Chancellor, on the 14th instant, re Leeds Banking Company, Prang's claim. With regard to the second bill, which, having been dishonoured by the acceptor, and bearing the endorsement of the Leeds Banking Company, "in need at Smith, Payne & Smith's," was presented there on the 15th, the Leeds Banking Company being at that time in liquidation, it was again dishonoured. Prang & Co.'s agent sent them notice the same day, and on the 16th they forwarded notice to the official liquidator, who received it in due course on the 17th. The Court said—"Then came the question whether it was part of the law that, as between principal and agent, an additional day should be allowed for the purpose of notifying dishonour. The Court was of opinion that the law permitted no such additional time to be given, and therefore, as the notification to the official liquidator was too late, the claim in regard to the second bill must also be disallowed." This judgment appears to be in direct opposition to the law as laid down in "Byles on Bills," page 264—"A banker with whom a bill is deposited to receive payment is, for purpose of notice, to be considered as a distinct holder, and has a day to give notice to his customer, and the customer another day to give notice to the antecedent parties."

In the report, of the above case, it is not stated whether the agent employed was a banker, but I presume that could make no difference.

I am, Sir,

Your very obedient servant,

E. O. D.

THE CHEQUES OF CUSTOMERS.

20th Nov., 1865.

SIR,—Your correspondent "H." "will be glad to hear that it is not the invariable custom of the English banks" to debit their customers' cheques on the day they are dated, instead of on the day of payment. I shall be glad to know (and I dare say many of your readers also) from what source "H." obtained information of this curious practice which he attributes to the English banks. A well-known legal authority says, "a banker in charging interest to a customer who has overdrawn his account, should compute it not from the date, but from the payment of the customer's cheques," and without doubt the same rule applies when the account is not overdrawn, and where interest is allowed. Does "H." speak from experience?

I am, dear Sir,

Your very obedient servant,

D.

BANKER'S COMMISSION.

Hereford, 15th November, 1865.

SIR,—Will you be so kind as to answer me the following questions in your next number. What is the usual practice of bankers, town and country, in such a case as this? A. B. removes his banking account from Smith and Co. to Jones and Co. on, say 1st October, and in November a bill of A. B.'s, dated in September, and lying in Smith's hands, matures payable

with them. Are Messrs. Smith and Co. justified in presenting the bill for payment to the acceptor's new bankers with a commission, and in case of the latter promising to pay the principal of the bill only without commission, can Smith and Co. legally refuse to receive it? Again, is a banker, after dishonouring acceptances of a customer, legally right in paying, later in the day, other acceptances of the same person, or is he bound to retain any funds he may receive to be applied to the payment of those first presented.

I am, Sir,

Yours obediently,

BANK CASHIER.

1.—We do not think the charge for commission could be legally enforced.

2.—Assuming the first dishonour to have taken place in consequence of insufficient funds belonging to the acceptor, if funds were subsequently supplied, the banker is justified in paying the first acceptances afterwards presented.]

STAMP RECEIPTS.

Birmingham, November 7th, 1865.

SIR,—I shall feel obliged if you will say in your next whether a formal receipt or an acknowledgment by post of a sum of money above £2, given for the purpose of assisting in the improvement of a church, requires the usual penny stamp. I am aware that a receipt for money contributed for charitable purposes requires no stamp, but the case in question can scarcely be considered one of charity.

Is it an understood and recognised rule that the Act of Parliament does not apply to receipts for moneys which are not recoverable at law?

Again, is it necessary that an employée in giving to the firm by which he is engaged a receipt for money paid on account of salary, should affix the penny stamp to the paper?

I am, Sir,

Your obedient servant,

F.

[We should consider such a gift of money as is referred to exempt from the duty on receipts. The receipt for salary requires a stamp.]

AD VALOREM STAMP.

14th November, 1865.

SIR,—Will you be good enough, in your next number, to state whether in the case of a cheque drawn in, and upon London, payable either to "order" or to "bearer," having been negotiated abroad, is liable to the same ad valorem stamp duty as an ordinary foreign bill of exchange; and oblige

Your obedient servant,

S. B. C.

[By 27 and 28 Vict., c. 56, s. 2, such a draft is liable to the ad valorem duty, if endorsed abroad.]

28th November, 1865.

SIR—1. Would a bill drawn by and on a bank in England, at any fourteen days date, and which was sent abroad and there endorsed, such

endorsement carrying with itself proof of having been effected out of the United Kingdom, require an ad valorem foreign bill stamp in addition to the inland stamp it bore at time of issuing before payment in England?

2. Some of the London bankers have recently adopted the plan of perforating their cheques with the "two lines," and the words "and Co.," instead of the old system of crossing. Do you consider such perforated cheque is a legally crossed one?

Your replies to the above will be esteemed by,

Yours obediently,

ALPHA.

[1. No:

2. The Act of Parliament does not define how the "transverse lines" of the crossing are to be made, but such crossing is required to plainly appear; we therefore think the terms of the Act are complied with if the latter requirement is fulfilled.]

CROSSED CHEQUES.

Llanidloes, 22nd Nov., 1865.

SIR—I shall feel obliged by your kindly answering the following question in your next monthly number.

Is not a banker upon whom is drawn and duly presented a cheque dated 28th October, 1865, but crossed with the words, "not to be cashed before the 28th November, 1865," such crossing however not confirmed by the drawer's signature, bound to pay it on presentation if there be funds? If he be not legally bound to honour such cheques, any third, fourth, fifth, or sixth party who might become in possession of such a document in the way of business, might make a similar crossing, for some reason or other, and thereby cause endless trouble and unpleasantness.

[We think the banker is not bound to pay with such a crossing; if made by the drawer it is clearly illegal, as the cheque is no longer payable on demand; if made by any other person it is such a material alteration as would, we think, justify the banker in refusing to pay.]

MONTHLY CHRONOLOGY.

November 12.—The National Bank of Belgium raised their rate of discount on bills to 6 per cent., the rate for advances on commercial securities to 6½ per cent., and advances on stocks and shares to 6 per cent.

16.—The directors of the Bank of Holland raised their rate of discount from 5½ to 6 per cent.

23.—The directors of the Bank of England reduced their minimum rate of discount from 7 to 6 per cent.

The directors of the Bank of France reduced their terms for discount from 5 to 4 per cent.

BANKING OBITUARY.

On the 5th September, at the Bank of Bengal, Lucknow, Mr. William M'Farlane, late of Clarendon Road, Notting Hill, in his 33rd year.

On the 1st November, Mr. Alexander Frederick Merrett, manager of the Gravesend Branch of the London and County Bank, aged 48 years.

On the 12th November, at Claremont Place, Forest-gate, Mr. Edward Harrison Wilkinson, of the Oriental Bank Corporation, aged 31 years.

Notes of the Month.

A DEFAULTING CASHIER.—A cashier in the establishment of Messrs. Olding, Osborne and Co., absented himself a week or two ago, and upon investigating his accounts, preparatory to the transfer of the business to the English Joint Stock Bank, it was found he was a defaulter to the extent of £1,995. It is expected a portion, if not the whole, may be recovered. Discouraging as this is, the reports were to the effect that the total was very considerable.

At an extraordinary general meeting of the proprietors of the Provincial Bank of Ireland, Sir James Weir Hogg, Bart., in the chair, Mr. William Wallace, of Austin-friars, and Mr. Harry Hankey Dobree were severally elected directors in the room of Mr. Samuel Eustace Magan, and Mr. Matthias Wolverley Attwood, both deceased.

It appears that Messrs. Laurie and Young, as directors of the City Bank, have felt themselves compelled to resign their seats at the board of the English Joint Stock Bank, Limited, on the commencement of a London business by the latter, through their amalgamation with Messrs. Olding, Osborne and Co.

It is stated that Mr. Wright, the London manager of the National Bank of Australia, has accepted the general management of that bank, and proceeds to head-quarters, Melbourne, by the December mail. The London management will be temporarily filled by Mr. Muttiebury, one of the London directors.

The Asiatic Bank Corporation have declared an interim dividend at the rate of 5 per cent., free of income tax, on the original shares, which became payable on and after the 13th November.

On the 27th October, the offices of the London and Venezuela Bank were removed to No. 9, Tokenhouse Yard.

TRADE OF THE UNITED KINGDOM.

THE Board of Trade returns for the month and nine months ended the 30th September, were issued on the 31st October, and are once more of a very favourable character, showing a considerable increase in the value of exports, the improvement extending to most of the leading articles of commerce, but more particularly to cotton and linen yarns and cotton and linen manufactures. The total declared value of exports for the month of the present year was £17,316,681, against £14,697,943 in 1864, and £14,542,862 in 1863, being an increase of £2,628,757 over 1864, and of £2,773,819 over 1863. For the nine months of the present year the total was £119,717,377; for the same period last year it was £123,404,161; and for 1863, £104,294,713; showing a decrease of £3,686,784 as contrasted with the former period, but an increase of £15,422,664, as compared with the latter. With respect to exports, there has been an increase in alkali, firearms, coals and culm, cotton yarn, cotton manufactures, haberdashery and millinery, hardware and cutlery, linen yarn, linen manufactures, metals, seed oil, silk manufactures, and wool and worsted yarn. The decline is shown in gunpowder, beer and ale, earthenware, machinery, thrown silk, spirits, and woollen and worsted manufactures. As regards imports, there has been an increase in clocks and watches,

raw cotton, guano, hemp, raw silk, tallow and wool; but a decline in flax, flaxseed, and linseed, cocoa, spirits, sugar, tea, tobacco, and wine. In the case of cereals there has been an increase in the importation of barley and beans, but a falling off in wheat, oats, peas, Indian corn, and wheatmeal and flour. With respect to provisions there has been an increase in bacon and hams, salt beef, and butter and cheese, with a decline in salt pork, eggs and lard. The subjoined tables exhibit the alterations in the chief articles enumerated :—

EXPORTS.

					1884.	1885.
Coals and culm ...	...	...	...	tons	811,882	842,698
Cotton manufactures ...	...	...	...	yards	158,856,730	209,861,444
Cotton yarn ...	...	...	...	lbs.	5,707,675	14,335,802
Haberdashery and millinery ...	...	...	...	value £	413,952	554,052
Linen manufactures ...	...	...	...	yards	17,184,471	26,118,296
Linen yarn ...	...	...	...	lbs.	3,536,353	3,954,409
Iron, pig ...	...	...	...	tons	89,812	59,462
Ditto, railway ...	...	...	...	"	27,302	41,786
Copper, unwrought ...	...	...	...	cwts.	11,315	14,161
Ditto, sheets, nails, &c. ...	...	...	...	"	60,232	41,532
Oil seed ...	...	...	...	gallons	928,501	1,011,569
Silk manufactures ...	...	...	...	value £	122,910	165,782
Ditto, thrown ...	...	...	...	lbs.	67,578	54,051
Spirits, British ...	...	...	...	gallons	412,348	201,428
Woollen cloths, &c. ...	...	...	...	yards	2,699,494	2,637,218
Woollen and worsted yarn ...	...	...	...	lbs.	2,647,415	3,355,698

IMPORTS.

					1884.	1885.
Cocoa ...	...	...	...	lbs.	1,199,458	580,277
Coffee ...	...	...	...	"	15,699,497	21,651,774
Wheat ...	...	...	...	qrs.	2,665,799	2,408,966
Wheat-meal and flour ...	...	...	...	cwts.	456,818	801,596
Cotton, raw ...	...	...	...	"	653,211	899,030
Flax ...	...	...	...	"	198,261	181,119
Hemp ...	...	...	...	"	79,995	117,696
Hides, tanned, &c. ...	...	...	...	lbs.	466,848	452,310
Leather manufactures ...	...	...	...	pairs	896,748	897,924
Butter ...	...	...	...	cwts.	76,827	87,887
Cheese ...	...	...	...	"	92,902	116,638
Flax-seed and linseed ...	...	...	...	qrs.	144,588	130,348
Silk, raw ...	...	...	...	lbs.	566,133	1,450,197
Silk, thrown ...	...	...	...	"	1,420	2,806
Silk manufactures ...	...	...	...	"	282,600	287,890
Spirits ...	...	...	...	gallons	923,097	914,169
Sugar, unrefined ...	...	...	...	cwts.	1,259,160	907,717
Tallow ...	...	...	...	"	44,107	200,670
Tea ...	...	...	...	lbs.	2,851,962	2,826,241
Tobacco ...	...	...	...	"	7,570,712	3,152,819
Wine ...	...	...	...	gallons	1,057,542	852,808
Wool ...	...	...	...	lbs.	18,662,944	22,075,688
Woollen manufactures ...	...	...	...	value £	212,288	228,181

Monetary Intelligence.

MONETARY REVIEW FOR THE MONTH OF NOVEMBER.

THE progress of financial and commercial affairs throughout the whole of the month of November was tranquil and satisfactory. The rumours connected with the probability of war with America, and apprehensions arising from the Fenian movement, occasioned no great alarm, although there was a little temporary uneasiness. The maintenance of the rate of discount at 7 per cent. until the Bank was in a position to reduce to 6 per cent., exercised a healthy influence over the general market, and although it is now said there is a prospect of the quotation descending to 5 per cent., it is questioned if this will in reality prove the case. An Austrian loan has been introduced and is alleged to be a success, but the principal subscriptions must have been obtained abroad, because capitalists here are not just now disposed to encourage this kind of operation. The Bank of France have lowered their quotation for discount from 5 to 4 per cent., and it is not supposed that they will further reduce the price at present. Endeavours are every now and then made to float public companies, but in consequence of the state of things created by the decision of the Stock Exchange respecting settlements there is no anxiety manifested to subscribe to them. Since the reduction of the rate of discount by the Bank of England there has been a better supply of money, and the rates have been rather cheaper, but not to an extent to show that large balances have been brought forward. At the last moment three months bills have been negotiated at $5\frac{1}{2}$ per cent., and six months at $5\frac{1}{2}$ to $\frac{1}{2}$ per cent.

The market for English stocks has been slightly in the ascendant. Not a great deal of activity has been apparent but prices have improved, first through government, and secondly through private purchases. The government broker has been taking for three weeks past about £80,000 Reduced, and New 3 per Cents. on account of the sinking fund, and these will continue for some time longer.

Foreign stocks have fluctuated to an extent. Spanish, owing to the declaration of war against Chili, and Greek in consequence of the unsettled situation of the ministry. Both descriptions, after being very depressed, have slightly recovered. Turkish have on the average been sustained, and in the case of Consolides the time for carrying out the conversion has been extended. The Confederate loan continues flat, the states as well as the government authorities at Washington repudiating the debt.

Railway shares were in the early part of the month very firm. Since then they have receded. The speculation for the rise having recently been carried to a high point, a reactionary tendency is now noticeable. It has extended throughout the entire of the department.

Joint-Stock Bank shares have been steady, but in every case the fullest quotation has not been supported. A very fair extent of business has nevertheless been transacted. The shares of the credit and finance companies have been well maintained, and have in special instances advanced on the prospect of forthcoming dividends and the progress of their operations.

In the produce market there has not been any important business, but prices have been firmer since the reduction of the rate of discount. A rise of about £20 per ton in copper has taken place owing to the aggression of Spain upon Chili, so large a portion of our supplies of metal coming thence.

THE GRAIN TRADE.

THE markets for all descriptions of grain have ruled very high during the greater part of the month, but latterly there has been much less firmness, with a general decline in prices. The accounts from the agricultural districts are favourable, and the autumnal operations are proceeding satisfactorily. The recent very wet weather has caused most of the samples of wheat to be brought to market in an unfavourable condition, and this, with the continued large supplies from abroad, chiefly caused the decline in prices. The latest official average quotations were:—Wheat, 46s. 11d. per qr.; barley, 33s. 7d.; and oats, 22s. 9d. per qr.

The *Gazette* returns for England and Wales have been:—

Week ending, 1866.	Wheat. Qrs. sold.	Weekly Average.	Duty.	Corresponding week Last Year.
		s. d.	s. d.	s. d.
Oct. 28	68,951 ...	42 4 ...	1 0 ...	38 6
Nov. 4	77,330 ...	43 4 ...	1 0 ...	38 9
„ 11	75,828 ...	45 3 ...	1 0 ...	38 11
„ 18	71,570 ...	46 11 ...	1 0 ...	38 9

The importations since the harvest of 1864 have been:—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Sixty-six weeks ended 21st Oct. ...	25,507,210	33,598,580	59,105,790
Four weeks ended 18th November...	1,922,849	2,439,337	4,362,186
	27,430,059	36,037,917	63,467,976

And the weekly averages have been:—

	Wheat. Cwts.	Other Grain. Cwts.	Total. Cwts.
Sixty-six weeks ended 21st Oct. ...	336,000	509,000	895,000
Four weeks ended 18th November ...	480,000	610,000	1,090,000
More	94,000	101,000	195,000

THE STATE OF TRADE.

Business in the markets of Manchester and throughout Lancashire has been steady, and with rather lower terms for money will, it is expected, improve at the time of the quarter.

NOTICES TO CORRESPONDENTS.

We have arranged in future to issue a double number in February and August, instead of as formerly in May and November. This has been rendered necessary by the great increase of the meetings of the Banks and Discount Companies, which will be always carefully collected in the pages of the *Bankers' Magazine*. We shall also give the proceedings of the various Credit and Finance Companies as they are more or less associated with banking, so that our subscribers and readers can refer to them without difficulty. One or two communications stand over for want of room. Correspondents will please forward communications addressed to the Editor No. 8, Birkhain Lane; subscriptions and orders as usual to Messrs. Groombridge and Sons, Paternoster Row, or Messrs. Waterlow and Sons, Carpenters' Hall, London Wall. **BANKING AND FINANCIAL ANECDOTES.**—It will be perceived from notice elsewhere, that the Editor of the *Bankers' Magazine* is collecting and arranging a series of Banking and Financial Anecdotes. Any contributions from subscribers and readers of the *Magazine* will be thankfully received, particularly if the subject-matter shall not have previously appeared in print. Nothing personal or offensive will receive publicity.

BANK OF FRANCE. **DEBTOR.**

	Nov. 2.		Nov. 9.		Nov. 16.		Nov. 23.	
	F.	C.	F.	C.	F.	C.	F.	C.
Capital of the Bank ...	182,500,000	0	182,500,000	0	182,500,000	0	182,500,000	0
Profits in addition to Capital (Art. 8, Law of June 9, 1857) ...	7,044,776	2	7,044,776	2	7,044,776	2	7,044,776	2
Reserve of the Bank and its branches ...	22,105,750	14	22,105,750	14	22,105,750	14	22,105,750	14
Reserve in landed property ...	4,080,000	0	4,080,000	0	4,080,000	0	4,080,000	0
Notes in circulation ...	889,642,035	0	875,075,535	0	875,420,775	0	875,607,325	0
Bank-notes to order and receipts payable at sight ...	8,063,166	32	7,885,709	26	7,751,925	93	6,900,653	53
Treasury account current, creditor ...	132,745,209	14	124,537,499	65	10,251,419	46	110,202,909	66
Current accounts, Paris ...	153,972,330	29	142,329,669	43	129,536,035	1	123,628,214	70
Do. branch banks ...	33,633,494	0	27,180,000	0	24,987,883	0	22,927,422	0
Dividends payable ...	1,662,814	75	1,015,980	75	980,084	75	982,166	75
Discounts and sundry interests ...	9,527,339	56	10,275,200	48	10,894,468	25	11,228,169	13
Re-discounted the last six months ...	1,427,623	17	1,427,623	17	1,427,623	17	1,427,623	17
Surplus of receipts not distributed ...	782,993	36	782,993	36	782,993	36	782,993	36
Sundries ...	14,157,220	51	14,061,287	83	14,078,527	26	12,803,466	30
Total ...	1,480,635,445	26	1,421,080,295	4	1,395,799,920	35	1,263,179,470	13

CREDITOR.

	Nov. 2.		Nov. 9.		Nov. 16.		Nov. 23.	
	F.	C.	F.	C.	F.	C.	F.	C.
Cash in hand and cash in the branch banks	419,588,952	22	411,746,966	94	399,089,185	54	412,687,039	27
Commercial bills overdue ...	7,797,270	23	575,998	84	2,980,410	49	332,430	25
Commercial bills discounted, not yet due	349,489,871	96	349,998,017	3	333,454,158	70	326,002,736	42
Do. branch banks ...	349,973,793	0	339,314,720	0	332,379,694	0	322,993,914	0
Advances on deposits of bullion ...	19,480,800	0	18,125,909	0	17,631,500	0	13,288,109	0
Do. branch banks ...	9,139,600	0	7,319,300	0	6,956,800	0	5,417,300	0
Do. on French public securities ...	13,755,300	0	12,463,200	0	12,362,900	0	12,312,900	0
Do. by the branch banks	8,726,700	0	8,726,800	9	8,634,600	0	8,331,900	0
Do. on railway shares and debentures ...	30,967,500	0	30,569,500	0	30,177,700	0	29,717,400	0
Do. by the branch banks	21,647,480	0	21,054,180	0	20,481,680	0	20,111,580	0
Do. on Crédit Foncier bonds ...	646,100	0	628,900	0	611,200	0	597,000	0
Do. branches ...	459,650	0	439,650	0	426,950	0	422,090	0
Do. to the State (Convention June 10, 1857)	69,000,000	0	69,000,000	0	69,000,000	0	69,000,000	0
Government stock reserve ...	12,980,750	14	12,980,750	14	12,980,750	14	12,980,750	14
Do. disposable ...	35,449,737	91	36,446,727	91	36,446,727	91	36,446,727	91
Rentes Immobilisées (Law of June 9, 1857)	109,000,000	0	109,000,000	0	109,000,000	0	109,000,000	0
Hotel and furn. of Bank, and landed property of branches ...	8,475,244	0	8,489,276	0	8,489,276	0	8,487,465	0
Expenses of management ...	1,963,270	59	1,963,011	61	1,969,628	79	2,225,494	4
Sundries ...	11,287,817	23	9,269,416	27	9,945,844	62	10,992,464	19
Total ...	1,480,635,442	26	1,421,080,295	4	1,395,799,920	35	1,263,179,470	13

FLUCTUATIONS IN ENGLISH AND FOREIGN STOCKS AND RAILWAY SHARES.

	Price on Oct. 26.	Highest.	Lowest.	Price on Nov. 27th.
ENGLISH FUNDS.				
Consols	88½ to 9	89½	88½	89½ to 89½
Exchequer Bills	2/ to 4/dia.	2/ dis.	8/ dia.	5/ dis.
FOREIGN STOCKS.				
Brazilian	—	95½	93	94½
Buenos Ayres	—	85	85	85
Chilian	99	99½	98½	99½
Dutch 2½ per cents.	—	61½	61	61
Mexican	25½	26½	25½	26
Peruvian 4½ per cents.	71	73	70	72½
Russian	89	90	88½	90
Spanish	45½	45½	44	45
Turkish 6 per cents.	91½	91½	90½	91
Ditto 4 per cents.	—	100½	100	100
RAILWAY SHARES.				
Brighton	104½	105½	103½	105
Caledonian	129	129	126½	127
Great Eastern	47	47½	46	47
Great Northern	129½	130	126	128½
Great Western	63½	63½	60½	63
Lancashire and Yorkshire	123½	123½	121½	123½
London and North Western... ..	124½	126½	124	126½
Midland	126½	127	124½	125½
North Staffordshire	75	75	74	75
South Eastern	80½	80½	78½	79½
South Western	96½	97½	96	97
York, Newcastle, and Berwick	110½	111½	110	111
York and North Midland	103½	104½	103	105½
East Indian	104	105	103½	104½
Northern of France	—	43½	43½	43½

CREDIT, FINANCE AND DISCOUNT COMPANIES.

	Share.	Paid.	London latest Price.		Share.	Paid.	London latest Price.
Australian Mortgage, Land and Finance (Lim.)	25	3	36	Imperial Mercantile Credit (Lim.)	50	5	8
Consolidated Discount (Lim.)	50	10	8½	International Land Credit	20	6	6½
Contract Corporation (Lim.)	100	10	4	Joint Stock Discount (Lim.)	25	10	9½
Credit Foncier of Mauritius (Limited)	50	10	7½	Land Securities	50	5	2
Credit Foncier and Mobilier of England	20	5	9½	London Financial Associa- tion (Lim.)	50	15	23
Discount Corporation (Lim.)	100	20	13	London Mercantile Discount Mauritius Land, Credit and Agency (Lim.)	20	2	2
East India Financial	50	10	5½	National Discount Co. (Lim.)	25	5	17
Egyptian Commercial and Trading	20	4	3½	Oriental Financial	50	10	2
English and Foreign Credit Financial Discount (Lim.)	50	7½	5	Ottoman Financial Associa- tion (Lim.)	50	15	9
General Credit and Finance of London (Lim.)	25	4	6½	Overend, Gurney & Co. (Lim.)	50	15	21½
International Financial Society (Lim.)	20	5	6	Société Financière d'Egypte (Lim.)	20	10	8½
International Contract	50	10	6	South African Mortgage and Investment (Lim.)	50	5	2½
				Warrant Finance (Lim.)	50	10	7½

JOINT-STOCK BANKS.

	Share.	Paid.	London Latest Prices		Share.	Paid.	London Latest Prices
	£	£	£		£	£	£
Agra and Masterman's, Limited	50	25	57	London Bank of Mexico and South America (Limited) ...	50	15	15
Albion	50	10	7½	London and Brazilian Bank ...	100	40	45
Alliance Bank of London and Liverpool, Limited ...	100	25	31	Ditto, New	20	2½	2½
Ditto, issued at 30 pm. ...	100	25	30	London, and River Plate, Limited	100	40	54½
Anglo Austrian Bank	20	5	6½	Ditto, New, issued at 1½ pm.	25	10	14½
Anglo-Egyptian (Lim.)	50	12½	14	London Chartered of Australia ...	20	30	24
Anglo-Italian (Lim.)	50	15	12	London and County Bank ...	50	20	7½
Asiatic Banking Corporation, New Shares issued at £15 pm, on which £7. 10s. is paid	20	5	19½dis	London Joint Stock Bank ...	50	15	50½
Bank of Australasia	40	40	70	London & South African Bk. London and South Western (Limited)	100	20	19½
Bank of British Columbia ...	20	20	23	Ditto, ditto, New	100	20	19
Bank of Egypt	25	25	30½	London and Venezuela (Lim.) ...	50	12½	11½
Bank of London	100	50	140	London & Westminster Bank ...	100	20	98
Bank of Otago (Limited)	20	9	7½	Mercantile Bank (Limited) ...	100	25	25½
Bank of Queensland, Limited ...	100	25	20	Ditto, New	100	10	19½
Bank of California (Lim.) ...	50	7½	6	Mercantile Exchange (Lim.) ...	50	10	6
Bank of New Zealand	10	10	16	Metropolitan and Provincial Bank, Limited	100	20	16½
Bank of Victoria, Australia ...	50	25	44½	Ditto, New	100	20	17
Barnes' Bank (Lim.)	50	10	6½	Midland Bank (Limited)	100	20	15½
Brazilian & Portuguese (Lim.) ...	20	10	9	National Bank	50	20	7½
British North American	50	50	49	National of Liverpool (Lim.) ...	100	10	18
Chartered Bank of India Australia and China	20	20	24½	National Provincial Bank of England	100	40	—
Chartered Mercantile Bank of India, London & China ...	25	25	48½	Ditto, 2d and 3d issues ...	20	12	—
City Bank	100	50	110	New South Wales	20	20	44
Colonial Bank	100	25	48	New Zealand Bank Corpora- tion (Limited)	10	1	1
Commercial Bank of Canada ...	20	20	—	North Western	20	7½	11½
Commercial Bank of India and the East	25	25	31	Oriental Bank	25	25	51
Consolidated Bank (Lim.)	10	4	10½	Oriental Commercial Bank (Limited), late O. C. ...	20	7	6½
Continental	100	25	—	Ditto, ditto, late N. F. ...	—	4	2½
Ditto, New	100	15	—	Ditto, ditto, late F. C. ...	—	4	3
Delhi and London Bank (Lim.) ...	50	25	24	Provincial Banking Corpo- ration	50	7½	4½
East London (Lim.)	50	5	5	Ditto, ditto	50	10	7½
Eastern Exchange	20	5	4	Provincial Bank of Ireland ...	100	25	54½
English Joint Stock (Lim.) ...	25	10	12½	Ditto, New	10	10	—
English, Scottish and Aus- tralian Chartered Bank ...	20	20	20½	Scinde, Punjab and Delhi (Limited)	20	10	6
English and Swedish (Lim.) ...	50	20	15	Ditto, issued at 3 pm. ...	20	5	—
European Bank (Limited)	50	15	12½	South Australian	25	25	26
Hindustan, China and Japan, Limited	100	25	19	Standard of British Africa (Limited)	100	25	14
Ditto, issued at 2 pm. ...	100	25	18	Do. New, issued at 6 pm. ...	100	10	4
Ditto, New	100	25	18½	Union Bank of Australia	25	25	54½
Imperial (Limited)	100	20	20½	Union Bank of Ireland, Lim. ...	100	22	29
Imperial Ottoman	20	10	16½	Union Bank of London	50	15	53½
Ionian	25	25	26				
Ionian, New	25	5	4½				
Land Mortgage Bk. of India ...	20	4	4½				

Bank of England Weekly Returns.

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Account, pursuant to the Act 7th and 8th of Victoria, cap. 33, for the Weeks ending as follows:—

ISSUE DEPARTMENT.

	1865. October 25.	1865. Nov. 1.	1865. Nov. 8.	1865. Nov. 15.	1865. Nov. 22.
	£	£	£	£	£
Notes issued	27,061,150	27,163,265	27,219,380	27,509,965	23,323,900
Government debentures	11,015,100	11,015,100	11,015,100	11,015,100	11,015,100
Other securities	3,634,900	3,634,900	3,634,900	3,634,900	3,634,900
Gold coin and bullion	12,411,150	12,612,265	12,569,380	12,819,965	13,673,900
Silver bullion					
	27,061,150	27,163,265	27,219,380	27,509,965	26,333,900

BANKING DEPARTMENT.

	1865. October 25.	1865. Nov. 1.	1865. Nov. 8.	1865. Nov. 15.	1865. Nov. 22.
	£	£	£	£	£
Proprietors' capital	14,553,000	14,553,000	14,553,000	14,553,000	14,553,000
Reserve	3,184,009	3,161,692	3,166,737	3,197,765	3,210,648
Public deposits (including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts)	2,793,662	4,163,517	4,896,861	5,690,149	6,146,063
Other Deposits	13,279,633	12,976,790	13,148,786	12,275,016	12,878,983
Seven day and other bills	550,345	538,041	522,121	509,001	490,143
	35,360,969	35,416,040	36,299,505	36,224,955	37,276,737
Government Securities (including Dead Weight Annuities)	9,308,018	9,240,964	9,746,089	9,741,100	9,741,100
Other Securities	20,008,638	20,144,678	20,070,914	19,308,882	19,004,565
Notes	8,241,250	8,314,980	8,745,606	8,867,870	7,738,940
Gold and Silver coin	806,063	716,539	736,997	817,106	791,133
	35,360,969	35,416,040	36,299,505	36,224,955	37,276,737

THE EXCHANGES.

	October 26.	Nov. 3.	Nov. 10.	Nov. 17.	Nov. 24.
Amsterdam, short	12 0½	12 0½	12 0½	11 19	11 19
Doitto 3 months	12 2½	12 2½	12 2½	12 2½	12 2½
Rotterdam, ditto	12 2½	12 2½	12 2½	12 2½	12 2½
Antwerp, ditto	25 65	25 62½	25 60	25 57½	25 57½
Brussels, ditto	25 65	25 62½	25 60	25 57½	25 57½
Hamburg, ditto	13 10½	13 10½	13 10½	13 10	13 9½
Paris, short	25 80	25 27½	25 27½	25 22½	25 22½
Paris, 3 months	25 80	25 80	25 57½	25 67½	25 47½
Marseilles, ditto	25 80	25 80	25 57½	25 62½	25 47½
Frankfort, ditto	121½	121½	121½	121½	121½
Vienna, ditto	11 20	11 17½	11 20	11 17½	11 12½
Trieste, ditto	11 20	11 20	11 22½	11 20	11 15
Petersburgh, ditto	30½	30½	30½	30½	30½
Madrid, ditto	47½	47½	47½	47½	47½
Cadix, ditto	48½	48½	48½	48½	48½
Lisbon, ditto	25 75	25 73½	25 70	25 70	25 65
Milan, ditto	25 75	25 73½	25 70	25 65	25 65
Genoa, ditto	25 75	25 73½	25 70	25 65	25 65
Naples, ditto	25 75	25 73½	25 70	25 67½	25 65
Palermo, ditto	25 75	25 73½	25 70	25 67½	25 67½
Messina	25 75	25 73½	25 70	25 67½	25 67½
Lisbon, 3 months	51½	51½	51½	51½	51½
Oporto, ditto	51½	51½	51½	51½	51½

PRICES OF BULLION.

	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.	Per Oz. £ s. d.
Foreign Gold in Bars (Standard)	3 17 9	3 17 9	3 17 9	3 17 9	3 17 9
Mexican Dollars	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0
Silver in Bars (Standard)	0 0 0	0 5 1½	0 0 0	0 0 0	0 5 1½

PRIVATE BANKS.

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Sept. 22.	Sept. 30.	Oct. 7.	Oct. 14.
1 Ashford Bank	£ 11,849	£ 11,279	£ 11,965	£ 11,996	£ 11,771
2 Aylesbury Old Bank	48,461	24,877	25,230	25,805	26,565
3 Baldock and Biggleswade Bank ...	37,223	20,489	20,296	20,349	20,319
4 Barnstable Bank	17,182	3,470	3,749	3,945	3,630
5 Bedford Bank	34,218	30,427	30,287	32,925	33,191
6 Bicester and Oxfordshire Bank ...	27,090	15,427	15,071	15,424	16,090
7 Boston Bank—Claypons and Co....	75,069	70,458	74,446	75,910	75,700
8 Boston Bank—Gee and Co.....	15,161	16,179	14,932	14,142	14,371
9 Bridgewater Bank	10,028	6,838	6,992	6,967	6,913
10 Bristol Bank	48,277	19,961	21,165	23,243	23,671
11 Broseley and Bridgnorth Bank ...	26,717	18,338	17,314	16,647	16,708
12 Buckingham Bank	29,657	20,663	20,866	21,202	21,937
13 Bury and Suffolk Bank	82,362	48,879	50,214	52,018	53,913
14 Banbury Bank	43,457	25,952	26,511	27,325	27,561
15 Banbury Old Bank	55,153	19,388	19,349	19,952	19,736
16 Bedfordshire Leighton Buzzard Bk.	36,829	34,716	36,211	38,397	36,639
17 Birmingham Bk.—Lloyds & Co. ...	38,816				
18 Brecon Old Bank	68,271	51,119	55,039	55,667	55,450
19 Brighton Union Bank	33,794	17,458	18,718	19,551	19,131
20 Burlington and Driffield Bank	12,745	12,629	12,780	12,230	12,041
21 Bury St. Edmund's Bank	3,201	2,920	3,219	2,920	2,743
22 Cambridge Bk.—Mortlock & Co.	25,744	9,700	10,012	11,190	11,665
23 Cambridge and Cambridgeshire Bk.	49,916	42,427	44,221	47,670	50,404
24 Canterbury Bank	33,671	20,981	29,131	35,542	37,559
25 Carmarthen Bank	23,597	16,361	16,186	15,398	15,168
26 Chertsey Bank	3,436	2,290	2,222	2,321	2,205
27 Colchester Bank	25,082	16,163	16,455	18,134	17,277
28 Colchester and Essex Bank	48,704	28,053	28,780	31,321	31,058
29 Cornish Bank—Tweedy & Co. ...	49,869	24,770	25,445	26,439	26,955
30 Coventry Bank	12,045	3,871	4,302	4,033	3,945
31 City Bank, Exeter	21,527	16,941	17,004	17,087	16,542
32 Craven Bank—Alcocks & Co. ...	77,154	76,069	76,582	77,229	76,132
33 Chepstow Old Bank	9,387	7,695	8,255	7,745	7,774
34 Derby Bank—Messrs. Evans & Co.	13,332	8,045	8,428	10,163	9,783
35 Derby Bank—Smith and Co.	41,304	30,482	32,175	38,033	40,694
36 Derby Old Bank	27,237	26,709	27,380	27,765	26,641
37 Devizes and Wiltshire Bank	20,674	6,566	6,610	6,664	6,526
38 Diss Bank	10,657	10,053	10,121	10,193	10,444
39 Doncaster Bank and Retford Bank	77,400	66,130	67,064	70,920	74,171
40 Darlington Bank	86,218	84,860	87,897	87,540	82,861
41 Devonport Bank	10,664	6,987	7,305	7,142	6,545
42 Dorchester Old Bank	48,807	39,620	39,852	40,279	41,405
43 East Cornwall Bk.—Robins & Co.	112,280	77,202	81,975	85,245	85,261
44 East Riding Bank—Bower & Co.	53,392	53,671	54,520	52,063	51,412
45 Essex Bk. & Bishop's Stortford Bk.	69,637	38,070	39,794	41,800	42,243
46 Exeter Bank	37,894	18,955	19,390	20,992	20,822
47 Farnham Bank	14,202	6,318	6,544	6,769	6,532
48 Faversham Bank	6,681	5,065	6,535	7,252	5,905
49 Godalming Bank	6,322	4,276	3,978	4,311	4,541
50 Guildford Bank	14,524	10,084	10,159	10,510	10,703
51 Grantham Bank—Hardy and Co..	30,372	21,452	21,981	23,074	24,380
52 Hull & Kingston-upon-Hull Bank.	19,979	16,572	16,780	19,094	19,453
53 Huntingdon Town & County Bank	56,591	35,112	36,465	37,677	38,926
54 Harwich Bank	5,778	4,733	5,017	5,447	5,691
55 Hertfordshire, Hitchin Bank	38,764	31,375	32,092	32,132	32,511
56 Ipswich Bank	21,901	17,190	17,248	19,390	20,500

NAME OF BANK.	Author- ised Issue.	AVERAGE AMOUNT.			
		Sept. 23.	Sept. 30.	Oct. 7.	Oct. 14.
	£	£	£	£	£
57 Ipswich & Needham Market Bank	80,699	52,447	53,875	57,147	58,935
58 Kentish Bank—Mercer & Co. ...	19,895	12,375	14,662	18,698	19,711
59 Kington and Radnorshire Bank...	26,050	25,731	26,801	26,872	24,536
60 Knaresborough Old Bank	21,825	19,155	19,354	20,131	20,831
61 Kendal Bank	44,663	43,590	44,991	45,883	43,365
62 Longton Staffordshire Bank	5,624	5,140	5,185	5,260	5,315
63 Leeds Bank	53,357	55,561	53,249	52,759	51,670
64 Leeds Union Bank	37,459	37,650	38,125	36,094	36,775
65 Leicester Bank	32,322	23,822	25,877	26,904	28,646
66 Lewes Old Bank	44,836	29,642	31,295	33,057	33,698
67 Lincoln Bank	100,342	84,060	87,579	91,970	95,325
68 Llandovery Bank & Llandilo Bank	32,945	21,169	21,992	22,225	20,592
69 Loughborough Bank	7,359	6,729	7,368	7,936	7,285
70 Lymington Bank	5,038	2,475	2,813	2,887	2,877
71 Lynn Regis and Lincolnshire Bank	42,817	31,504	31,575	32,879	35,736
72 Lynn Regis and Norfolk Bank ...	13,917	12,261	12,760	12,841	13,700
73 Macclesfield Bank	15,760	13,473	13,713	13,435	12,851
74 Manningtree Bank	7,692	5,515	5,770	6,011	5,772
75 Merionethshire Bank	10,906	8,905	9,257	8,928	8,781
76 Miners' Bank	18,688	18,402	18,608	18,625	18,867
77 Monmouthshire Agricultural and Commercial Bank	29,335	29,905	30,803	29,045	26,086
78 Monmouth Old Bank	16,385	4,695	4,831	4,927	4,589
79 Newark Bank	28,788	20,849	22,770	23,391	24,553
80 Newark and Sleaford Bank	51,615	45,455	46,140	47,197	49,720
81 Newbury Bank	36,787	13,349	13,770	15,084	15,635
82 Newmarket Bank	23,098	14,931	15,052	15,897	16,825
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	45,288	47,478	50,887	50,013
84 Norwich and Norfolk Bank	105,519	72,007	75,785	81,234	86,905
85 Nottingham & Nottinghamsh. Bk.	10,866				
86 Naval Bank, Plymouth	27,321	19,962	20,895	21,486	22,920
87 New Sarum Bk.—Pinckneys, Bros.	15,659	6,383	6,380	6,760	6,671
88 Nottingham Bank	31,047	22,494	22,540	23,745	25,097
89 Oswestry Bank	18,471	11,915	12,433	12,286	12,126
90 Oxford Old Bank	34,391	29,456	30,222	32,875	32,970
91 Old Bank, Tonbridge	13,183	8,067	9,469	11,524	12,145
92 Oxfordshire Witney Bank	11,852	9,566	9,641	9,322	9,357
93 Pease's Old Bank, Hull	48,807	48,243	48,386	50,145	47,540
94 Penzance Bank	11,405	8,366	8,625	9,236	9,108
95 Pembrokeshire Bank	12,910	10,911	10,875	10,890	11,786
96 Reading Bank—Simonds & Co...	37,519	25,895	25,864	26,898	28,070
97 Reading Bk.—Stephens, Blandy & Co.	43,271	24,519	25,655	28,070	27,496
98 Richmond Bank, Yorkshire	6,889	6,133	6,260	6,468	6,597
99 Rochdale Bank	5,590	1,379	1,280	1,059	925
100 Royston Bank	16,393	8,559	8,510	8,404	8,337
101 Rugby Bank	17,250	9,132	9,566	9,385	9,423
102 Rye Bank	29,864	10,310	12,559	13,051	13,382
103 Saffron Walden & North Essex Bk.	47,646	20,328	21,029	21,828	22,017
104 Salop Bank	22,338	9,559	9,935	10,246	9,706
105 Scarborough Old Bank	24,813	21,534	22,003	23,360	24,089
106 Shrewsbury Old Bank	43,191	29,753	28,929	31,761	32,718
107 Sittingbourne and Milton Bank...	4,789	3,445	3,435	3,595	3,783
108 Southampton Town & County Bk.	18,589	8,859	8,710	10,111	9,357
109 Southwell Bank	14,744	8,900	9,308	9,455	9,894
110 Southampton and Hampshire Bk.	6,770	1,981	2,153	2,288	2,298
111 Stafford Old Bank	14,166	11,825	11,950	12,931	13,033
112 Stamford and Rutland Bank	31,858	18,276	18,864	18,896	19,767
113 Shrewsbury and Welsh Pool Bank	25,336	22,005	23,035	23,706	23,351
114 Taunton Bank	29,799	21,047	21,716	21,956	22,439
115 Tavistock Bank	13,421	13,183	13,183	13,000	13,548

WEEKLY RETURNS OF BANKS OF ISSUE.

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Sept. 23.	Sept. 30.	Oct. 7.	Oct. 14.
	£	£	£	£	£
116 Thornbury Bank.....	10,026	8,145	8,597	8,551	8,754
117 Tiverton and Devonshire Bank ...	13,470	9,260	10,050	10,143	9,980
118 Thrapstone and Kettering Bank.....	11,559	11,487	11,633	11,365	11,554
119 Tring Bank and Chesham Bank..	13,531	14,147	13,902	12,487	13,039
120 Towcester Old Bank	10,801	6,355	6,769	7,339	7,760
121 Union Bank, Cornwall	17,003	15,128	15,273	16,958	17,319
122 Uxbridge Old Bank	25,136	7,818	8,141	9,031	9,046
123 Wallingford Bank	17,064	5,223	5,772	5,916	6,425
124 Warwick and Warwickshire Bank	30,504	18,246	18,242	18,665	19,148
125 Wellington Bank, Somerset	6,528	3,677	4,213	4,340	4,057
126 West Riding Bank	46,158	40,082	41,036	42,186	44,911
127 Whitby Old Bank	14,258	13,973	14,228	14,105	14,397
128 Winchester, Alresford & Alton Bk.	25,892	10,433	10,738	11,386	11,585
129 Weymouth Old Bank	16,461	15,515	15,832	16,312	16,144
130 Wirksworth and Derbyshire Bk.	37,602	35,743	36,303	37,312	38,238
131 Wisbeach and Lincolnshire Bank	59,713	38,015	40,309	43,721	48,609
132 Wiveliscombe Bank.....	7,602	4,137	6,261	5,842	5,594
133 Worcester Old Bank	87,448	56,728	61,612	65,746	67,118
134 Wolverham. Bk.—R. & W. Fryer	11,867	10,633	10,798	10,587	10,917
135 Yarmouth and Suffolk Bank	53,060	36,669	38,306	41,980	43,550
136 Yarmouth, Norfolk, & Suffolk Bk.	13,229	8,521	8,807	8,681	8,761
137 York Bank	46,387	38,518	39,350	41,017	41,651

JOINT STOCK BANKS.

1 Bank of Westmorland	12,225	11,071	11,417	11,822	11,708
2 Barnsley Banking Company	9,563	9,718	9,720	9,495	9,252
3 Bradford Banking Company	49,292	49,670	50,138	48,175	49,096
4 Bilston District Banking Company	9,418	8,899	9,730	9,117	9,300
5 Bank of Whitehaven.....	32,681	26,689	26,956	27,642	28,669
6 Bradford Commercial Banking Co.	20,084	20,255	20,000	19,874	19,981
7 Burton, Uttoxeter, and Staffordshire Union Banking Co.	60,701	41,520	43,130	45,720	47,685
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	8,490	9,213	9,926	10,759
9 Cumberland Union Banking Co....	35,395	36,850	35,509	32,168	31,705
10 Coventry and Warwickshire Bk. Co.	28,734	15,200	15,532	17,486	17,455
11 Coventry Union Banking Company	16,251	11,206	12,315	13,673	13,685
12 County of Gloucester Banking Co.	144,352	99,945	102,024	107,285	110,439
13 Carlisle & Cumberland Banking Co.	25,610	25,079	25,095	25,173	25,236
14 Carlisle City and District Bank ...	19,972	20,002	19,847	19,814	19,745
15 Dudley & West Bromwich Bk. Co.	37,696	27,830	28,528	31,223	31,083
16 Derby and Derbyshire Banking Co.	20,093	20,975	20,556	18,259	18,547
17 Darlington Dist. Joint Stock Bk. Co.	26,134	27,118	27,768	26,238	23,205
18 Gloucestershire Banking Company	155,920	144,366	147,905	152,612	152,477
19 Halifax Joint Stock Bank.....	18,534	17,833	18,356	18,424	18,011
20 Huddersfield Banking Company...	37,354	30,996	34,163	33,805	37,463
21 Hull Banking Company	29,333	28,788	29,800	28,524	28,051
22 Halifax Commercial Banking Co..	13,733	12,973	13,112	13,468	13,392
23 Halifax & Huddersfield Union Bk.	44,137	40,295	39,616	41,282	44,037
24 Holston Banking Company	1,503	1,513	1,508	1,488	1,500
25 Knaresborough and Claro Bk. Co.	28,059	26,378	26,403	27,330	27,390
26 Lancaster Banking Company	64,311	53,369	54,360	57,009	60,301
27 Leicestershire Banking Company...	86,060	50,150	53,189	57,051	62,401
28 Lincoln and Lindsey Banking Co..	51,620	51,132	55,490	53,485	44,698
29 Leamington Priors and Warwick- shire Banking Co.	13,875	9,739	9,911	10,707	11,015
30 Ludlow and Tenbury Bank	10,215	10,205	10,387	10,301	9,890
31 Moore & Robinson's Notts. Bank...	35,813	28,126	27,688	29,809	31,787
32 Nottingham and Notts. Banking Co.	29,477	21,674	25,792	26,066	27,056
33 National Provincial Bk. of England	442,371	446,633	439,230	428,134	421,776
34 North Wills Banking Company ...	63,939	43,404	45,642	45,674	47,539

NAME OF BANK.	Authorized Issue.	AVERAGE AMOUNT.			
		Sept. 23.	Sept. 30.	Oct. 7.	Oct. 14.
	£	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	64,308	65,079	68,346	70,568
36 Northamptonshire Banking Co. ...	26,401	19,705	19,365	19,277	20,651
37 North and South Wales Bank.....	63,951	66,170	62,021	57,059	54,536
38 Pare's Leicestershire Banking Co...	59,300	50,139	51,645	54,048	56,328
39 Saddleworth Banking Company ...	8,122	310	330	330	330
40 Sheffield Banking Company.....	35,843	39,116	37,043	35,225	31,644
41 Stamford, Spalding & Boston Bk. Co.	55,721	48,255	49,618	52,397	54,766
42 Stuckey's Banking Company	356,976	310,289	319,189	330,175	331,115
43 Shropshire Banking Company.....	47,951	37,586	38,750	38,122	38,895
44 Stourbridge and Kidderminster Bk.	56,830	49,722	50,994	55,437	57,799
45 Sheffield and Hallamshire Bank ...	23,524	23,534	23,603	25,384	21,548
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	51,532	53,447	53,534	51,153
47 Swaledale and Wensleydale Bank..	54,372	50,299	51,665	52,239	52,640
48 Wolverhampton & Staffordsh. Bk..	35,378	22,859	23,859	24,063	28,186
49 Wakefield and Barnsley Union Bk.	14,604	14,084	14,535	14,754	14,482
50 Whitehaven Joint Stock Bank ...	31,916	24,742	26,662	27,430	26,985
51 Warwick and Leamington Bk. Co.	37,124	25,457	25,562	27,865	27,260
52 West of Eng. & S. Wales District Bk.	83,535	83,178	84,659	85,163	76,476
53 Wilts & Dorset Banking Company	76,162	75,219	74,740	75,482	74,850
54 West Riding Union Banking Co....	34,029	35,420	33,110	31,423	32,602
55 Whitchurch and Ellesmere Bk. Co.	7,475	5,064	5,661	5,983	6,134
56 Worcester City and County Bk. Co.	6,848	5,887	5,807	5,735	5,693
57 York Union Banking Company ...	71,240	71,012	70,567	70,938	70,717
58 York City and County Banking Co.	94,695	92,484	94,982	96,153	92,571
59 Yorkshire Banking Company	122,532	125,472	121,460	121,734	117,585

Irish and Scotch Circulation Returns.

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 14th day of October, 1865.

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during Four Weeks ending as above.			Average Am't Gold & Sil- ver Coin held during Four Weeks ending as above.
		£s and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland	3,738,428	1,658,825	1,157,275	2,816,100	498,380
Provincial Bank of Ireland	927,667	439,826	540,550	980,376	342,057
Belfast Bank	281,611	149,596	334,861	494,458	275,060
Northern Bank	243,440	119,442	289,906	409,348	213,218
Ulster Bank.....	311,079	206,353	333,824	540,178	274,300
The National Bank.....	852,269	711,118	656,137	1,367,255	717,544
TOTALS (Irish Banks) ...	6,354,494	3,285,160	3,322,553	6,607,715	2,320,559

SCOTCH BANKS.

Bank of Scotland	300,485	180,502	327,505	508,007	274,995
Royal Bank of Scotland ...	216,451	203,897	344,180	548,077	381,815
British Linen Company.....	438,024	174,903	318,033	472,936	247,490
Commercial Bk. of Scotland	374,880	200,113	386,799	586,913	288,835
National Bank of Scotland..	297,024	180,946	318,489	499,435	258,035
Union Bank of Scotland ...	454,346	192,102	392,569	584,671	236,921
Aberdeen Town and Co. Bk.	70,133	64,827	92,473	157,300	99,985
North of Scotland Bk. Co...	154,319	99,327	124,673	224,000	87,025
Clydesdale Banking Co. ...	274,321	142,705	245,239	387,944	149,292
City of Glasgow Bank	72,921	137,432	245,692	383,124	353,683
Caledonian Banking Co. ...	53,434	28,922	50,045	78,968	35,708
Central Bank of Scotland...	42,933	25,955	38,074	64,029	28,227
TOTALS (Scotch Banks)...	2,749,271	1,631,631	2,883,771	4,515,404	2,442,017

SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Sept. 22.	Sept. 30.	Oct. 7.	Oct. 14.
135 Private Banks	£4,139,459	£2,988,847	£3,072,119	£3,193,849	£3,252,194
59 Joint-Stock Banks ...	3,216,257	2,904,280	2,905,083	2,936,615	2,930,639
194 Totals.....	7,355,726	5,893,127	5,977,202	6,130,464	6,182,833

Average Weekly Circulation of these Banks for the month ending October 14th:—

Private Banks	£3,123,009
Joint-Stock Banks	2,919,154

Average Weekly Circulation of Private and Joint-Stock Banks ending as above

On a comparison of the above with the Returns for the month ending Sept. 16th last, it shows:—

An increase in the notes of Private Banks, of... .. £260,087

An increase in the notes of Joint-Stock Banks, of... .. 144,800

Total increase on the month £404,887

And as compared with the month ending October 15th, 1864, it shows:—

A decrease in the notes of Private Banks of £20,000

An increase in the notes of Joint-Stock Banks, of... .. 23,718

Total decrease, as compared with the same period of last year £21,318

The following is the comparative state of the circulation as regards the fixed issues:—

The Private Banks are below their fixed issues £1,917,027

The Joint-Stock Banks are below their fixed issues 207,100

Total below their fixed issues £1,824,927

SUMMARY OF IRISH & SCOTCH RETURNS TO OCTOBER 15, 1865.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending October 15th when added together, give the following as the average weekly circulation of these Banks during the past month, viz.:

Average Circulation of the Irish Banks £6,607,715

Average Circulation of the Scotch Banks 4,515,404

Total Average Circulation of these banks for the past month

On comparing these amounts with the Returns for the month ending 16th Sept. last, they show:—

Increase in the Circulation of Irish Banks £689,122

Increase in the Circulation of Scotch Banks 208,943

Total increase on the month

And as compared with the month ending October 15th, 1864, they show:—

Increase in the Circulation of Irish Banks £792,731

Increase in the Circulation of Scotch Banks 217,050

Total increase on the year

The fixed issues of the Irish and Scotch Banks at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue... .. £6,254,004

13 Banks in Scotland, allowed to issue... .. 2,740,271

19 Banks in all, allowed to issue

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are above their fixed issue £253,221

Scotch Banks are above their fixed issue 1,706,133

Total above the fixed issue

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks £2,320,500

Gold and Silver held by the Scotch Banks 2,420,917

Total of Gold and Silver Coin

Being an increase of £241,066 on the part of the Irish Banks, and an increase of £26,120 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

CIRCULATION OF THE UNITED KINGDOM TO OCTOBER 14, 1865.

The following is the state of the Note Circulation of the United Kingdom for the month ending the 14th October, 1865:—

Circulation of Notes for the Month ending 14th October, as compared with the previous month:—

	Sept. 16.	Oct. 14.	Increase.	Decrease.
Bank of England (month ending Oct. 11)	£21,617,745	£21,965,514	£347,769	—
Private Banks	2,861,915	3,122,002	260,087	—
Joint-Stock Banks	2,774,785	2,919,154	144,369	—
Total in England.....	27,254,445	28,006,670	752,225	—
Scotland.....	4,305,561	4,515,404	209,843	—
Ireland	5,938,593	6,007,715	69,122	—
United Kingdom.....	237,498,599	239,129,789	1,631,190	—

The comparison of the month ending October 15th, 1864, with the month ending October 14th, 1865, shows an increase in the Bank of England circulation of £1,178,312, a decrease in Private Banks of £50,433, and an increase in Joint-Stock Banks of £23,318; being a total increase in England of £1,151,197; while in Scotland there is an increase of £217,050; and in Ireland an increase of £72,731. Thus showing that the month ending 14th October, as compared with the same period last year, presents an increase of £1,161,066 in England, and an increase of £217,050 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending October 11th, gives an aggregate amount in both departments of £13,535,206. On a comparison of this with the Return for the month ending Sept. 13th, there appears to be a decrease of £771,942; and an increase of £651,000 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 14th October was £4,762,678; being an increase of £207,176 as compared with the Return of the previous month, and an increase of £410,633 as compared with the corresponding period last year.

Bankers' Weekly Circulation Returns.

1407

Pursuant to the Act 7 & 8 Victoria, c. 32; extracted from the LONDON GAZETTE.

PRIVATE BANKS.

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Oct. 21.	Oct. 28.	Nov. 4.	Nov. 11.
	£	£	£	£	£
1 Ashford Bank	11,849	12,070	11,049	10,765	11,169
2 Aylesbury Old Bank	48,461	25,979	25,582	25,630	25,129
3 Baldock and Biggleswade Bank ...	37,223	20,476	20,631	20,056	20,141
4 Barnstable Bank	17,182	4,242	4,123	4,177	3,516
5 Bedford Bank	34,218	32,377	31,661	31,715	30,834
6 Bicester and Oxfordshire Bank ...	27,090	16,030	15,354	14,939	14,800
7 Boston Bank—Claypons and Co....	75,069	74,872	74,280	73,755	71,676
8 Boston Bank—Gee and Co.....	15,161	14,975	14,720	14,184	15,050
9 Bridgewater Bank	10,028	7,482	7,661	7,526	7,298
10 Bristol Bank	48,277	23,026	22,355	22,698	22,595
11 Broseley and Bridgnorth Bank ...	26,717	16,309	16,094	17,282	17,099
12 Buckingham Bank	29,657	20,780	20,633	20,702	20,122
13 Bury and Suffolk Bank.....	82,362	51,897	51,674	50,492	49,379
14 Banbury Bank	43,457	27,023	26,882	26,484	25,862
15 Banbury Old Bank	55,153	19,318	18,770	18,880	18,865
16 Bedfordshire Leighton Buzzard Bk.	36,829	36,226	35,670	35,171	35,352
17 Birmingham Bk.—Lloyds & Co. ...	38,816				
18 Brecon Old Bank	68,271	55,720	54,881	54,111	53,555
19 Brighton Union Bank	33,794	18,893	18,976	18,998	18,834
20 Burlington and Driffield Bank.....	12,745	12,248	12,226	12,197	12,158
21 Bury St. Edmund's Bank.....	3,201	2,720	2,684	2,625	2,783
22 Cambridge Bk.—Mortlock & Co.	25,744	13,104	13,900	13,853	14,747
23 Cambridge and Cambridgeshire Bk.	49,916	48,805	48,167	47,180	45,929
24 Canterbury Bank	33,671	32,984	30,283	31,357	30,230
25 Carmarthen Bank	23,597	14,970	15,252	15,000	14,672
26 Chertsey Bank	3,436	2,117	2,041	2,109	2,014
27 Colchester Bank.....	25,082	16,932	16,530	16,247	15,923
28 Colchester and Essex Bank	48,704	29,765	28,958	29,330	28,331
29 Cornish Bank—Tweedy & Co. ...	49,869	24,949	25,570	26,022	27,311
30 Coventry Bank	12,045	3,679	2,930	2,476	
31 City Bank, Exeter.....	21,527	16,086	16,765	16,429	16,468
32 Craven Bank—Alcocks & Co. ...	77,154	74,380	72,932	71,559	70,692
33 Chepstow Old Bank	9,387	7,585	7,650	7,442	6,990
34 Derby Bank—Messrs. Evans & Co.	13,332	9,829	9,445	9,564	9,711
35 Derby Bank—Smith and Co.	41,304	40,047	37,821	38,855	38,725
36 Derby Old Bank	27,237	26,946	27,152	26,932	25,034
37 Devizes and Wiltshire Bank	20,674	7,040	7,071	6,780	6,474
38 Diss Bank	10,657	9,666	9,961	10,168	9,918
39 Doncaster Bank and Retford Bank	77,400	75,976	76,190	74,411	72,823
40 Darlington Bank	86,218	85,422	86,120	85,139	83,201
41 Devonport Bank	10,664	6,916	6,184	6,379	6,504
42 Dorchester Old Bank	48,807	40,225	40,171	40,130	39,370
43 East Cornwall Bk.—Robins & Co.	112,280	85,900	84,803	84,127	83,897
44 East Riding Bank—Bower & Co.	53,392	52,238	52,325	52,113	52,893
45 Essex Bk. & Bishop's Stortford Bk.	69,617	41,195	40,020	38,589	37,002
46 Exeter Bank	37,894	21,737	20,748	20,130	19,486
47 Farnham Bank	14,202	6,825	7,646	7,811	7,300
48 Faversham Bank	6,681	5,916	5,791	5,720	5,511
49 Godalming Bank	6,322	4,400	4,395	4,441	4,545
50 Guildford Bank	14,524	10,313	10,184	10,147	9,964
51 Grantham Bank—Hardy and Co..	30,372	25,177	25,681	24,436	24,041
52 Hull & Kingston-upon-Hull Bank.	19,979	18,751	17,722	16,820	17,301
53 Huntingdon Town & County Bank	56,591	37,520	35,282	34,510	33,523
54 Harwich Bank	5,778	4,871	4,751	5,002	5,050
55 Hertfordshire, Hitchin Bank	38,764	31,315	30,907	31,819	31,571
56 Ipswich Bank.....	21,901	19,844	19,826	19,252	18,968

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Oct. 21.	Oct. 28.	Nov. 4.	Nov. 11.
	£	£	£	£	£
57 Ipswich & Needham Market Bank	80,699	58,420	56,549	54,585	53,472
58 Kentish Bank—Mercer & Co.	19,895	20,030	19,728	19,800	19,674
59 Kingston and Radfordshire Bank	26,050	25,817	25,834	26,261	25,997
60 Knaresborough Old Bank	21,825	21,147	21,222	20,724	20,105
61 Kendal Bank	44,663	44,093	44,912	45,028	43,938
62 Longton Staffordshire Bank	5,624	5,211	4,990	4,967	5,180
63 Leeds Bank	53,357	51,375	51,657	53,233	55,272
64 Leeds Union Bank	37,459	36,923	36,115	36,375	36,759
65 Leicester Bank	32,322	28,756	29,009	28,817	28,031
66 Lewes Old Bank	44,836	34,583	34,919	34,627	34,500
67 Lincoln Bank	100,342	95,895	93,520	90,946	88,639
68 Llandoverly Bank & Llandilo Bank	32,945	19,788	20,355	20,437	20,576
69 Loughborough Bank	7,359	6,793	6,710	6,602	6,444
70 Lynton Bank	5,038	2,669	2,661	2,730	2,824
71 Lynn Regis and Lincolnshire Bank	42,817	35,110	33,876	32,992	30,521
72 Lynn Regis and Norfolk Bank	13,917	13,026	12,262	12,366	11,552
73 Macclesfield Bank	15,760	13,652	13,718	13,556	12,960
74 Manningtree Bank	7,692	5,492	5,024	5,024	5,062
75 Merionethshire Bank	10,906	8,811	8,991	8,522	8,345
76 Miners' Bank	18,688	18,111	17,725	17,715	18,365
77 Monmouthshire Agricultural and Commercial Bank	29,335	26,343	28,563	28,074	29,021
78 Monmouth Old Bank	16,385	4,663	4,491	4,331	4,113
79 Newark Bank	28,788	24,684	23,776	24,032	23,218
80 Newark and Sleaford Bank	51,615	48,130	49,014	47,633	47,146
81 Newbury Bank	36,787	15,990	15,128	13,963	13,613
82 Newmarket Bank	23,098	17,608	18,250	19,362	18,341
83 Norwich Crown Bank and Norfolk and Suffolk Bank	49,671	49,366	49,571	49,955	48,583
84 Norwich and Norfolk Bank	105,519	83,501	82,212	81,889	77,159
85 Nottingham & Nottinghamsh. Bk.	10,866				
86 Naval Bank, Plymouth	27,321	22,597	21,755	21,729	21,185
87 New Sarum Bk.—Pinckneys, Bro.	15,659	6,591	6,655	6,490	6,490
88 Nottingham Bank	31,047	26,353	25,429	24,929	23,745
89 Oswestry Bank	18,471	11,920	11,749	11,371	11,695
90 Oxford Old Bank	34,391	35,435	35,856	33,129	32,294
91 Old Bank, Tonbridge	13,183	12,644	12,665	12,298	12,672
92 Oxfordshire Witney Bank	11,852	9,000	8,720	8,915	9,103
93 Pease's Old Bank, Hull	48,807	47,142	47,023	48,493	48,224
94 Penzance Bank	11,405	8,533	7,894	7,933	7,910
95 Pembrokeshire Bank	12,910	12,511	11,926	11,158	10,710
96 Reading Bank—Simonds & Co.	37,519	27,225	26,260	25,771	26,189
97 Reading Bk.—Stephens, Blandy & Co.	43,271	26,335	26,231	25,165	24,567
98 Richmond Bank, Yorkshire	6,889	6,596	6,766	6,820	7,054
99 Rochdale Bank	5,590	1,067	1,070	1,019	952
100 Royston Bank	16,393	8,342	8,578	8,530	7,778
101 Rugby Bank	17,250	9,772	9,810	9,587	9,231
102 Rye Bank	29,864	13,714	14,364	14,610	13,467
103 Saffron Walden & North Essex Bk.	47,646	21,450	20,916	21,216	20,662
104 Salop Bank	22,338	9,897	10,084	9,867	9,387
105 Scarborough Old Bank	24,813	23,670	23,380	23,292	23,407
106 Shrewsbury Old Bank	43,191	34,330	33,532	33,028	33,032
107 Sittingbourne and Milton Bank	4,789	4,000	4,249	4,021	3,882
108 Southampton Town & County Bk.	18,589	9,200	8,819	8,745	8,885
109 Southwell Bank	14,744	9,697	9,370	9,136	8,914
110 Southampton and Hampshire Bk.	6,770	20,90	2,083	2,223	2,136
111 Stafford Old Bank	14,166	12,667	12,521	11,667	10,893
112 Stamford and Rutland Bank	31,858	19,802	19,620	19,527	19,366
113 Shrewsbury and Welsh Pool Bank	25,336	22,928	22,560	22,366	21,565
114 Taunton Bank	29,799	23,744	24,174	23,152	21,592
115 Tavistock Bank	13,421	12,940	11,831	11,441	12,589

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Oct. 21.	Oct. 28.	Nov. 4.	Nov. 11.
	£	£	£	£	£
116 Thornbury Bank	10,026	8,951	8,596	8,559	8,315
117 Tiverton and Devonshire Bank ...	13,470	9,951	10,216	10,020	9,524
118 Thrapstone and Kettering Bank..	11,559	11,584	11,460	11,136	11,094
119 Tring Bank and Chesham Bank..	13,531	12,920	12,609	12,840	12,223
120 Towcester Old Bank	10,801	7,338	6,809	6,650	6,171
121 Union Bank, Cornwall	17,003	17,122	16,756	16,500	16,644
122 Uxbridge Old Bank	25,136	9,142	9,257	9,278	8,840
123 Wallingford Bank	17,064	6,390	6,321	6,193	6,210
124 Warwick and Warwickshire Bank	30,504	20,224	20,846	19,832	19,066
125 Wellington Bank, Somerset	6,528	3,876	3,662	3,986	3,129
126 West Riding Bank	46,158	45,136	43,152	42,649	41,548
127 Whitby Old Bank	14,258	14,046	13,934	13,980	14,124
128 Winchester, Alresford & Alton Bk.	25,892	11,610	11,292	10,905	10,799
129 Weymouth Old Bank	16,461	16,940	15,785	15,419	14,910
130 Wirksworth and Derbyshire Bk.	37,602	38,032	36,688	35,376	35,461
131 Wisbeach and Lincolnshire Bank	59,713	47,825	46,314	45,274	43,890
132 Wiveliscombe Bank	7,602	5,632	5,880	5,419	4,908
133 Worcester Old Bank	87,448	66,250	64,991	61,461	58,122
134 Wolverham. Bk.—R. & W. Fryer	11,867	12,392	10,923	10,270	10,227
135 Yarmouth and Suffolk Bank	53,060	42,042	40,540	39,278	37,983
136 Yarmouth, Norfolk, & Suffolk Bk.	13,229	9,557	8,465	8,993	9,213
137 York Bank	46,387	41,591	1,021	40,936	40,430

JOINT STOCK BANKS.

1 Bank of Westmorland	12,225	11,531	11,384	11,470	11,795
2 Barnsley Banking Company	9,563	9,431	9,690	9,593	9,314
3 Bradford Banking Company	49,292	50,147	49,388	47,682	48,545
4 Bilston District Banking Company	9,416	9,077	9,102	9,455	9,723
5 Bank of Whitehaven	32,681	28,060	27,474	27,050	28,080
6 Bradford Commercial Banking Co.	20,084	20,055	19,624	20,105	20,063
7 Burton, Uttoxeter, and Staffordshire Union Banking Co.	60,701	47,987	46,989	46,946	44,029
8 Chesterfield & N. Derbysh. Bk. Co.	10,421	10,108	10,167	10,230	10,048
9 Cumberland Union Banking Co....	35,395	33,042	33,941	35,280	35,525
10 Coventry and Warwickshire Bk. Co.	28,734	16,724	16,615	16,540	19,257
11 Coventry Union Banking Company	16,251	13,233	12,925	12,846	12,625
12 County of Gloucester Banking Co.	144,352	107,251	105,246	102,024	100,585
13 Carlisle & Cumberland Banking Co.	25,610	24,629	23,950	25,208	25,311
14 Carlisle City and District Bank ...	19,972	20,034	20,061	19,824	19,782
15 Dudley & West Bromwich Bk. Co.	37,696	31,649	30,560	30,198	29,890
16 Derby and Derbyshire Banking Co.	20,093	19,661	20,294	18,804	17,854
17 Darlington Dist. Joint Stock Bk. Co.	26,134	24,097	26,160	26,477	27,772
18 Gloucestershire Banking Company	155,920	148,610	146,980	145,241	141,981
19 Halifax Joint Stock Bank	18,534	17,861	17,980	18,184	17,806
20 Huddersfield Banking Company...	37,354	38,279	35,940	34,118	34,139
21 Hull Banking Company	29,333	30,429	29,481	26,207	27,517
22 Halifax Commercial Banking Co....	13,733	13,533	13,955	13,562	12,699
23 Halifax & Huddersfield Union Bk.	44,137	43,963	42,074	40,077	38,970
24 Helston Banking Company	1,503	1,495	1,503	1,494	1,508
25 Knaresborough and Claro Bk. Co.	28,059	28,050	27,648	27,282	27,756
26 Lancaster Banking Company	64,311	59,273	57,987	57,822	58,082
27 Leicestershire Banking Company...	86,060	64,601	61,801	58,893	59,216
28 Lincoln and Lindsey Banking Co.	51,620	45,723	50,364	51,221	51,073
29 Leamington Priors and Warwick- shire Banking Co.	13,875	11,290	11,349	11,100	10,203
30 Ludlow and Tenbury Bank	10,215	10,335	9,823	9,823	9,929
31 Moore & Robinson's Notts. Bank...	35,813	31,769	30,839	31,521	30,623
32 Nottingham and Notts. Banking Co.	29,477	27,272	26,412	26,848	26,730
33 National Provincial Bk. of England	442,371	415,009	410,311	409,548	407,545
34 North Wilts Banking Company ...	63,939	48,023	47,385	46,670	44,803

NAME OF BANK.	Author- ized Issue.	AVERAGE AMOUNT.			
		Oct. 21.	Oct. 22.	Nov. 4.	Nov. 11.
	£	£	£	£	£
35 Northamptonshire Union Bank ...	84,356	68,405	67,762	66,766	62,315
36 Northamptonshire Banking Co. ...	26,401	20,265	20,251	20,925	19,812
37 North and South Wales Bank.....	63,951	58,436	58,597	61,049	62,373
38 Pars's Leicestershire Banking Co....	59,300	55,814	52,270	51,818	50,236
39 Saddleworth Banking Company ...	8,122	330	330	330	330
40 Sheffield Banking Company.....	35,843	33,950	35,881	36,643	36,346
41 Stamford, Spalding & Boston Bk. Co.	55,721	54,306	52,096	52,256	52,374
42 Stuckey's Banking Company	356,976	328,595	325,895	326,035	325,625
43 Shropshire Banking Company.....	47,951	38,405	37,265	36,845	37,493
44 Stourbridge and Kidderminster Bk.	56,830	56,383	50,507	50,288	51,009
45 Sheffield and Hallamshire Bank ...	23,524	21,398	23,376	23,770	23,287
46 Sheffield & Rotherham Jt. Stock Bk.	52,496	53,190	50,703	51,982	53,799
47 Swaledale and Wensleydale Bank...	54,372	52,629	52,114	51,850	52,570
48 Wolverhampton & Staffordsh. Bk...	35,378	28,381	27,427	26,470	26,430
49 Wakefield and Barnsley Union Bk.	14,604	14,169	14,282	14,256	14,311
50 Whitehaven Joint Stock Bank ...	31,916	26,415	25,287	25,348	27,099
51 Warwick and Leamington Bk. Co.	37,124	27,531	26,752	26,469	27,011
52 West of Eng. & S. Wales District Bk.	83,535	74,315	77,873	79,273	81,608
53 Wilts & Dorset Banking Company	76,162	72,629	70,799	73,201	75,113
54 West Riding Union Banking Co....	34,029	33,396	31,181	32,582	32,145
55 Whitchurch and Ellesmere Bk. Co.	7,475	5,648	5,910	6,000	5,772
56 Worcester City and County Bk. Co.	6,848	5,581	5,148	3,954	2,902
57 York Union Banking Company ...	71,240	70,255	70,756	70,402	70,315
58 York City and County Banking Co.	94,695	92,830	93,778	93,385	92,861
59 Yorkshire Banking Company	122,532	118,357	120,674	121,774	122,150

Irish and Scotch Circulation Returns.

Average Circulation, and Coin held by the IRISH and SCOTCH BANKS during the four weeks ending Saturday, the 11th day of November, 1865.

IRISH BANKS.

NAME OF BANK.	Authorized Circulation.	Average Circulation during Four Weeks ending as above.			Average Am. Gold & Sil- ver Coin held during Four Weeks ending as above.
		£s and upwards.	Under £s.	Total.	
	£	£	£	£	£
Bank of Ireland	3,738,428	1,689,750	1,183,650	2,873,400	479,665
Provincial Bank of Ireland	927,667	446,564	554,621	1,001,185	314,451
Belfast Bank	281,611	163,933	371,796	535,730	341,085
Northern Bank	243,440	131,147	328,904	460,052	264,806
Ulster Bank.....	311,079	220,092	384,720	604,812	341,064
The National Bank.....	852,269	746,716	666,030	1,412,746	750,785
TOTALS (Irish Banks) ...	6,354,494	3,398,202	3,489,721	6,887,925	2,491,904

SCOTCH BANKS.

Bank of Scotland	300,485	192,017	341,784	533,801	304,607
Royal Bank of Scotland	216,451	210,248	361,195	571,443	462,774
British Linen Company	438,024	188,677	328,616	517,293	227,525
Commercial Bk. of Scotland	374,880	217,288	393,149	610,437	327,456
National Bank of Scotland..	297,024	188,085	332,201	520,286	284,840
Union Bank of Scotland ...	454,346	210,521	399,890	610,411	322,625
Aberdeen Town and Co. Bk.	70,133	62,911	89,221	152,132	104,207
North of Scotland Bk. Co...	154,319	101,978	124,278	226,257	102,996
Clydesdale Banking Co. ...	274,321	148,092	258,272	400,364	157,961
City of Glasgow Bank	72,921	159,733	243,076	402,810	371,017
Caledonian Banking Co. ...	53,434	27,192	53,334	80,526	36,180
Central Bank of Scotland...	42,933	30,636	46,288	70,925	11,900
TOTALS (Scotch Banks)...	2,749,271	1,937,378	2,959,304	4,696,685	2,646,198

SUMMARY OF WEEKLY RETURNS OF BANKS OF ISSUE.

	Fixed Issues.	Oct. 21.	Oct. 28.	Nov. 4.	Nov. 11.
135 Private Banks	£4,139,469	£3,201,328	£3,128,899	£3,132,115	£3,073,371
59 Joint-Stock Banks ...	3,226,257	2,923,744	2,892,336	2,883,012	2,870,584
194 Totals.....	7,365,726	6,125,072	6,021,235	6,015,134	5,943,955

Average Weekly Circulation of these Banks for the month ending November 11th:—

Private Banks	£3,133,928
Joint-Stock Banks	2,892,421

Average Weekly Circulation of Private and Joint-Stock Banks ending as above £6,026,349

On a comparison of the above with the Returns for the month ending Oct. 14th last, it shows:—

An increase in the notes of Private Banks, of... ..	£11,926
A decrease in the notes of Joint-Stock Banks, of... ..	26,733

Total decrease on the month £14,807

And as compared with the month ending November 12th, 1864, it shows:—

A decrease in the notes of Private Banks of	£77,420
An increase in the notes of Joint-Stock Banks, of	86,996

Total decrease, as compared with the same period of last year £10,423

The following is the comparative state of the circulation as regards the fixed issues:—

The Private Banks are below their fixed issues	£1,006,541
The Joint-Stock Banks are below their fixed issues	833,836

Total below their fixed issues £1,339,377

SUMMARY OF IRISH & SCOTCH RETURNS TO NOVEMBER 11, 1865.

The Returns of Circulation of the Irish and Scotch Banks for the four weeks ending November 11th when added together, give the following as the average weekly circulation of these Banks during the past month, viz.:

Average Circulation of the Irish Banks	£6,897,925
Average Circulation of the Scotch Banks	4,696,636

Total Average Circulation of these banks for the past month £11,594,610

On comparing these amounts with the Returns for the month ending 14th Oct. last, they show:—
Increase in the Circulation of Irish Banks £280,310
Increase in the Circulation of Scotch Banks £181,381

Total increase on the month £461,691

And as compared with the month ending November 12th, 1864, they show:—
Increase in the Circulation of Irish Banks £281,615
Increase in the Circulation of Scotch Banks £252,351

Total increase on the year £1,183,996

The fixed issues of the Irish and Scotch Bank at the present time are given in the *Banking Almanac*, as follows:—

6 Banks in Ireland, allowed to issue...	£6,864,494
12 Banks in Scotland, allowed to issue	2,746,271

18 Banks in all, allowed to issue £9,610,765

The following appears, therefore, to be the comparative state of the circulation:—

Irish Banks are above their fixed issue	£239,431
Scotch Banks are above their fixed issue	1,947,414

Total above the fixed issue £2,486,845

The amounts of Gold and Silver held at the head offices of the several banks, during the past month, have been as follows:—

Gold and Silver held by the Irish Banks	£2,491,904
Gold and Silver held by the Scotch Banks	2,644,198

Total of Gold and Silver Coin £5,136,102

Being an increase of £171,345 on the part of the Irish Banks, and an increase of £304,181 on the part of the Scotch Banks, on the several amounts held by them during the preceding month.

CIRCULATION OF THE UNITED KINGDOM TO NOVEMBER 11, 1865.

The following is the state of the Note Circulation of the United Kingdom for the month ending the 11th November, 1865:—

Circulation of Notes for the Month ending 11th November, as compared with the previous month:—

	Oct. 14.	Nov. 11.	Increase.	Decrease.
Bank of England (month ending Nov. 9)	£21,965,514	£21,964,808	—	£706
Private Banks	3,123,003	3,133,928	£11,926	—
Joint-Stock Banks	2,919,154	2,892,421	—	£26,733
Total in England.....	28,006,670	27,891,154	11,926	127,443
Scotland.....	4,515,404	4,696,636	280,232	—
Ireland	6,607,715	6,897,925	181,281	—
United Kingdom.....	£39,129,789	£39,475,764	£473,417	£127,443

The comparison of the month ending November 12th, 1864, with the month ending November 11th, 1865, shows an increase in the Bank of England circulation of £269,366, a decrease in Private Banks of £77,420, and an increase in Joint-Stock Banks of £26,996; being a total increase in England of £217,944; while in Scotland there is an increase of £281,232; and in Ireland an increase of £281,615. Thus showing that the month ending 11th November, as compared with the same period last year, presents an increase of £217,944 in England, and an increase of £23,101,910 in the United Kingdom.

The return of Bullion in the Bank of England, for the month ending November 8th, gives an aggregate amount in both departments of £13,136,813. On a comparison of this with the Return for the month ending Oct. 11th, there appears to be a decrease of £383,366; and a decrease of £143,939 as compared with the same period last year.

The stock of specie held by the Banks in Scotland and Ireland during the month ending 11th November was £5,136,102; being an increase of £375,536 as compared with the Return of the previous month, and an increase of £359,571 as compared with the corresponding period last year.

THE ENGLISH FUNDS.—Daily Prices from October 28, to November 27, 1865, inclusive.

	28	30	31	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Bank Stock, 5 per cent, last half-year	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249	249
3 per Cent. Reduced Annuities	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87
3 per Cent. Consol. Annuities	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
Ditto ditto for account Nov. 8	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
Ditto ditto	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88	88
New 3 per Cent.	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87
New 3½ per Cent.	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87
New 4 per Cent.	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87
New 5 per Cent.	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87	87
Annuitants for 30 years	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134
Ditto 30 years	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134	134
Ditto (Red Sea Telegraph)	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103	103
Ditto 80 years	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219	219
India Stock, 10½ per cent.	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105
Ditto 5	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105
Ditto 4	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105	105
Ditto Enfranchised Paper, 5 per cent.	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89	89
Ditto ditto 5½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½	106½
Ditto Loan Debentures, 1864	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½
Ditto ditto	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½
Ditto Bonds £1,000 (div. 5 per cent.)	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½
Ditto under £1,000	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½	98½
Exchange Bills £1,000, 3 & 3½ per cent.	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
Ditto ditto £500	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44
Ditto ditto £100 & 200	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44	44

FOREIGN STOCKS.—(November 27th, 1865.)

Brazilian Bonds, 5 per Cent.	94	Spanish Bonds 3 per Cent.	45
Brazilian 4½ per Cent.	71	Ditto 3 per Cent. Deferred	38
Buenos Ayres 6 per Cent.	85	Turkish 6 per Cent.	91
Chilian Bonds 6 per Cent.	90½	Turkish 5 per Cent.	100
Chilian 4½ per Cent.	76	Venezuelan 3 per Cent.	16
Mexican 3 per Cent.	26	(Dividends on the above payable in London.)	
Peruvian 4½ per Cent.	72½		
Portuguese Bonds 3 per Cent.	83	Dutch 2½ per Cent.	61
Russian Bonds, 1822, 5 per Cent. in 2 Ster.	44½	Ditto 4 per Cent. Loan	90½
		French 4½ per Cent. at Paris	90½
		27th November	47½
		Ditto 3 per Cent.	44½
			44½

RAILWAY SHARES.—(November 27th, 1865.)

COMPANY.	Prices Paid up & Nov. 27.	Prices Paid up & Nov. 27.	Prices Paid up & Nov. 27.
Bristol and Exeter	100	99	97
Caledonian	100	127	128½
East Anglian	100	47	47
Great Eastern	100	47	46½
Great Northern	100	124½	131
(St. South. & West. (Irel.))	100	94	91
(Great Western)	100	63	63
Lancashire & Yorkshire	100	124½	122½
London and Blackwall	100	84	84
London and Brighton	100	105	103
North. Western	100	124	124
London & South-Western	100	97	97
London Chatham & Dover	100	37	37
Manchester & Sheffield	100	60½	59
Midland	100	124½	124
North British	100	61	61
North Staffordshire	100	17½	17½
South Devon	100	58	57½
South-Eastern	100	79½	79½
York Newcastle & Horwicks	100	111	110½
York & North Midland	100	106½	106½

The closing prices of the day are quoted.

